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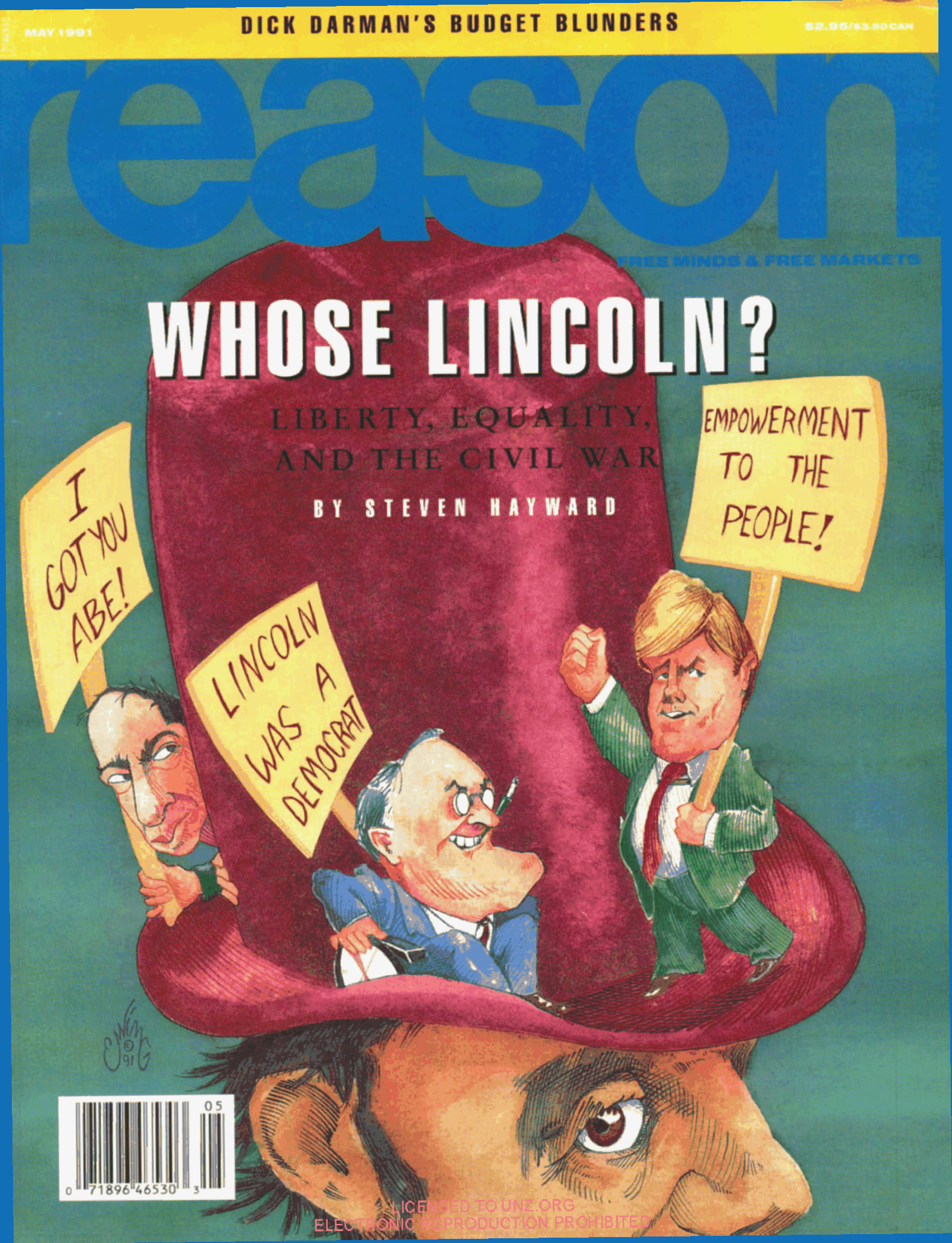
WHOSE LINCOLN?

LIBERTY, EQUALITY, AND THE CIVIL WAR

BY STEVEN HAYWARD



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After graduating from Johns Hopkins, Kris Mauren was on the management track at a major hotel corporation, based in Hawaii. But he was restless. Today, after an intensive training program under an IHS Nonprofit Management Fellowship, Kris is Executive Director of the Acton Institute for the Study of Religion and Liberty.

When her country opened up in the dramatic events of December 1989, Maria Valeanu of Romania determined to find out more about the prosperity of the west. A query to the Adam Smith Institute of London led her to IHS, where a Nonprofit Management Fellowship in the summer of 1990 prepared her for setting up the Institute Libertate in Bucharest.

Jo Kwong has a Ph.D. in natural resource economics and could be researching and teaching at a university. But she chose a different route. In 1987 she was awarded the first IHS Nonprofit Management Fellowship and is today helping to direct the Atlas Economic Research Foundation, while continuing to write and speak extensively on market solutions to environmental problems.

reason

Free Minds and Free Markets

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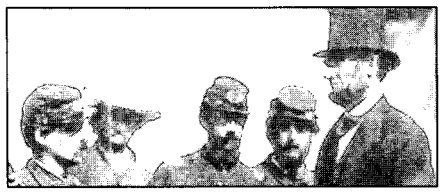
FEATURES



24
The Children of Abraham
Steven Hayward
Left, right, and perpendicular fight over Lincoln and equality.

32
The Superior Mail
Carolyn Lochhead
Alternative postal companies deliver for you.

36
Capitalist Tool II: An Interview with Malcolm S. Forbes, Jr.
Virginia I. Postrel and Charles Oliver
The guru of growth speaks out.

40
Beyond Tomorrowland
T.A. Heppenheimer
A fantasy: What if NASA built a *useful* space station?

EDITORIALS

4
Fuelishness
Virginia I. Postrel

6
Invisible Men
Charles Oliver

8
A Good Death?
Jacob Sullum

9
L.A., Lawless
Rick Henderson

COLUMNS

45
Washington: Fiscal Folly
Daniel J. Mitchell and Andrew F. Quinlan
Darman's hollow budget victory.

47
The Law: Gun-Shy Judges
Jacob Sullum
Who's afraid of the Second Amendment?

50
Chicago: House of Hope
Bryan Miller
Fewer homeless without more beds.

54
Smoking: Cold Turkey
Stanton Peele
Stop smoking without help from the "experts."

56
Magazines: Peeling the Big Apple
Martin Morse Wooster
Don't bite the maggots.

66
Selected Skirmishes: Dressing up the Emperor
Thomas W. Hazlett
Decency and diversity vs. taxpayers.

THE BOOK CASE

58
Depth Charge
Loren E. Lomasky
Liberal Virtues: Virtue and Community in Liberal Constitutionalism, by Steven Macedo

60
The Capitalist Evolution
Martin Morse Wooster
Bionomics: The Inevitability of Capitalism, by Michael Rothschild

61
Baby Talk
Karl Zinsmeister
The Swedish Experiment in Family Politics, by Allan Carlson

63
Programs for the Future
Greg Costikyan
The Age of Intelligent Machines, by Raymond Kurzweil

64
The Age of Diminishing Economists
Paul Craig Roberts
The Age of Diminished Expectations, by Paul Krugman

DEPARTMENTS

10
Letters

18
Trends

22
Brickbats

Cover illustration by Richard Ewing

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FUELISHNESS

VIRGINIA I. POSTREL

Ever since 1973, Americans have been crazy about energy. The trauma of that year's gas lines and heating-oil shortages—reinforced in 1979—has now outlived "the Vietnam syndrome." As U.S. troops return victorious from the Persian Gulf, the great off-stage agenda setter has determined that the next big issue will be energy policy. We oughta have one, everyone seems to think.

In part, the enthusiasm for an energy policy stems from the war itself. Had we had better policy, the purveyors of conventional wisdom declaim, we wouldn't have had a war in the Persian Gulf. "American blood soaked into the sands of the Middle East provides a tragic reminder to us all that this nation's political processes have failed to come to grips with our addiction to imported oil," writes John E. Petersen in *Governing*.

Ever accommodating, the Bush administration has sent a 214-page energy-policy proposal to Congress. Of course, nobody— at least no Democrat—likes it. Sen. Al Gore (D-Tenn.) called it "breathtakingly dumb." Like many critics of U.S. energy policy, he condemned U.S. energy *use*, employing the always-damning rhetoric of addiction. With its emphasis on expanding energy supplies, Gore declared, Bush's proposed policy is "kind of like somebody who is addicted to alcohol or drugs confronting the problem and deciding the solution is to get a lot more of it."

Alden Meyer of the Union of Concerned Scientists used similar language to express what many environmentalists want out of the American public: "As Alcoholics Anonymous has proven, admitting you have a problem is the first step on the road to recovery." First, we have to acknowledge that our dependence on energy is sick and dangerous. Then we have to kick the habit.

This is all nonsense, "breathtakingly dumb," to quote would-be President Gore. The United States has no more need for an "energy policy" than it has need for shampoo policy or a socket-wrench policy. Fuel is just one good among many. And we are no more "addicted" to energy than we are to silicon or aluminum or anything else that goes into producing the goods and services traded in the U.S. economy. It is not evil to use oil to make things.

But what of the Persian Gulf? Weren't we willing to sacrifice blood for oil?

Well, no. Contrary to Bob Dole, the Gulf War wasn't about o-i-l—at least not about keeping the oil flowing to U.S. consumers. The one thing oil-producing nations, including Iraq, will always want to do is sell oil.

The problem with Iraq, aside from the general issue of aggression, wasn't that we'd lose access to oil. It was that controlling a lot of oil makes it possible to get very rich, which makes it possible to buy lots of weapons...which can lead to very unpleasant situations. The only energy policy that would have countered Iraq would have been the one that only the most honest and extreme greens advocate: not using any oil at all. And even that policy would have worked only if everyone else in the world went along with it.

When people bemoan "our dependence on foreign oil," whether they want to expand domestic supplies or cut consumption, they ignore a fundamental fact. Oil is oil. Its molecules don't come with little PUMPED IN SAUDI ARABIA labels. As MIT energy economist M.A. Adelman writes in *Foreign Policy*, "The world oil market, like the world ocean, is one great pool. The price is the same at every border. Who exports the oil Americans consume is irrelevant."

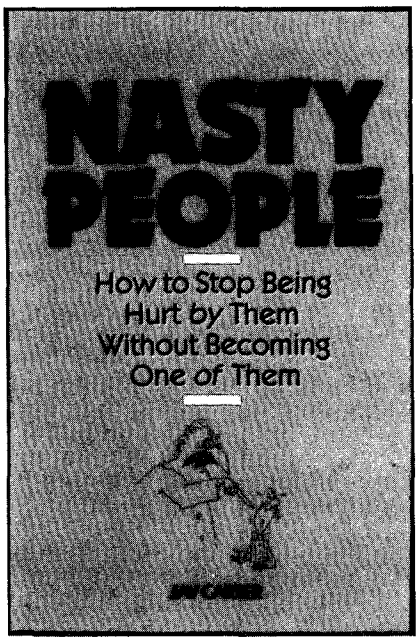
Not everyone calling for a U.S. energy policy uses the hysterical language of addiction. Calmer voices speak instead of efficiency. We ought to conserve energy, they say, simply because it makes good sense. If a car getting 35 mpg can take you places as well as a car getting 20 mpg, you're a fool to buy the 20-mpg model. And the car companies are fools or villains to make it. Congress should pass a law to require cars to get better mileage.

The efficiency argument is appealing: Why not do more with less? But it ignores the big picture. Fixated on energy, its advocates tend to forget the rest of the economy. And they disregard the way real producers and consumers make decisions.

Consider the Sun Frost refrigerator. Touted by *Sierra* magazine's upbeat energy issue, the 16-cubic-foot model reportedly uses one-fourth to one-third as much energy as a standard refrigerator. The cost: a mere $2,400. An ordinary 16-cubic-foot fridge runs about $800—a third the cost of the nifty Sun Frost. Unless electricity rates are very high and interest rates are very low, you're better off saving the money up front.

Efficiency fans tend to make the Sun Frost mistake a lot. They forget that up-front investment, whether to retool a factory or buy a more-expensive refrigerator, matters a lot. A dollar spent today is worth more than a dollar saved in three years.

And it's not just money. The money *means* something. These prices aren't set by a czar in Washington (though when oil prices were set more or less that way we had those lines...). Prices reflect the value producers and consumers put on goods, relative to other goods. If people do value



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good mileage—presumably, because gas prices are high—they'll pay more for cars that get 35 mpg.

But people may not be willing to pay extra for better mileage. Maybe they don't drive a lot. Maybe gas is cheap. Maybe they'd just rather spend the money on new clothes for the kids. Energy freaks want to make everyone else love gasoline they way they love gasoline, and, if not, they'll pass a law to get the same results.

Even when people make energy-saving investments for completely voluntary reasons, those investments exact a price. When rising gas prices make airlines buy new, more-efficient planes, they can't spend the money on employee training or improved safety equipment. And the capital they raise to pay for their new fleets can't go to fund startup companies, finance more-productive widget plants, or underwrite new housing.

Writes Adelman: "Throughout the 1970s and 1980s, investment in conservation measures, made in order to achieve lower energy consumption, inevitably diverted investment from other uses. Sluggish growth in productivity created sluggish growth in living standards." It's one thing to make such trade-offs because real energy prices are rising. It's another to force them on your fellow Americans because you think energy is the most important thing in the world.

INVISIBLE MEN

CHARLES OLIVER

Where are the Democrats? By this time four years ago, at least half a dozen Democrats were openly running for president. But less than 10 months away from the Iowa caucus, it looks like George Bush will run without major-party opposition in 1992.

Of course, that won't happen. The Democrats will offer voters some alternative to Bush, if only as a matter of habit. But the question remains: Why are there no Democratic presidential candidates?

One obvious answer is the resounding success of the Persian Gulf war. For at least 12 years voters have perceived Democrats as weak on defense. One Democratic president got us involved in Vietnam; another stood by as Iranians seized the American embassy and held our citizens hostage.

Saddam Hussein showed us that the post–Cold War world is still a dangerous place. And George Bush demonstrated that Republicans can successfully navigate these treacherous waters.

That leaves Democrats in a curious dilemma. Those who were antiwar reinforced their wimp image. And hawkish Democrats—such as Sen. Albert Gore (Tenn.) just look like a Republican lite. "You know that I can keep our allies in line and Third World bullies in their place," Bush can tell voters. "But this Gore character is untested."

But this is only part of the story. The truth is that even before the war potential Democratic candidates were keeping their campaigns in low gear.

The problem is that Democrats still haven't found the Issue: the one policy that voters will love and that Democrats can make the center of their platform. For Republicans, the issue was taxes. Ronald Reagan successfully painted Democrats as the tax-and-spend party. And voters, tired of finding the federal government reaching for their wallets all the time, gave the GOP three successive landslide victories in presidential elections.

The Democrats keep trying out different ideas: protectionism, class warfare, competence. None has fired the imaginations of voters. This year the Issue was supposed to be the environment. Democrats were certain that voters wanted them to spend billions to clean up the earth. But the resounding defeat of environmental initiatives in several states dashed Democrats' hopes.

So once again they're groping. And no Democrat will run until he finds the Issue.

For now, the plan is to focus on domestic issues. "With the Gulf War ended, public attention will return to the U.S. domestic agenda, where the President was perceived as faltering when the war began," writes Democratic consultant Ted Van Dyk in the *Los Angeles Times*.

In November, Bush did seem to be on the defensive. The economy was faltering, and by agreeing to raise taxes Bush angered the right wing of his party and seemingly threw away the issue that had taken him to the White House.

But in hindsight, Bush's budget deal with the Democrats probably helped him politically. For every new domestic program that Democrats propose, Bush just has to ask, "How much will it cost?" The president can simply point out to voters that he gave the Democrats all they wanted to reduce the deficit, and they just came back for more money. The Democrats are still the tax-and-spend party, but Bush has learned his lesson.

Will voters trust George Bush again? Maybe not. A Democrat could potentially outflank Bush by pressing New York Sen. Daniel Moynihan's proposal to cut the Social Security tax. Even a 16-year-old flipping burgers after school feels this tax. But Democrats haven't embraced this plan. They're afraid other taxes would have to be raised to offset the revenue loss, leaving voters with the impression that the Democrats once again are raising taxes, not that payroll taxes are being cut.

But other taxes don't have to be raised. A candidate could also support cuts in federal spending. Subsidies for big business, the arts, foreign governments, and corporate farmers aren't terribly popular with voters. Combining these proposals with a little populist rhetoric—and a tax cut everyone can feel—could be the mixture for electoral success.

More likely, however, the party activists who vote in primaries and caucuses really do want tax-and-spend candidates, so any Democrat who tried this would never even get to face Bush. But things don't look completely hopeless for Democrats. There's always 1996.

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THE NEW REPUBLIC

A GOOD DEATH?

JACOB SULLUM

This was the case that the right-to-die movement had been waiting for. In March, a Rochester, New York, physician reported that he had helped a patient with leukemia kill herself by taking an overdose of barbiturates. Dr. Timothy E. Quill's disclosure in *The New England Journal of Medicine* broke a long-standing taboo against public discussion of what appears to be a fairly common medical practice.

But the response to Quill's article was markedly different from the reaction to the use of Dr. Jack Kevorkian's suicide machine last summer by Janet Adkins, an Oregon woman with Alzheimer's disease. It also contrasted sharply with the controversy raised by "It's Over, Debbie," an anonymous account of active euthanasia that appeared in *The Journal of the the American Medical Association* in 1988.

While those cases provoked much criticism, especially among physicians, Quill's report elicited mostly favorable comments, even from medical ethicists. And while advocates of the right to die saw the impact of the earlier controversies as mixed, they praised Quill unequivocally for helping to advance their cause. "We were pleased to see this man have the courage to say this," Derek Humphry, founder of the Hemlock Society, told the *Los Angeles Times*. "This case is the archetypal best sort of case."

Humphry may be right from a public-relations standpoint. But the differences that distinguish Quill's actions in the public mind are not as important as they might appear. Indeed, focusing on them distracts attention from important questions about the law's approach to suicide and euthanasia.

One red herring is the nature of the doctor/patient relationship. "The difference in the cases is like night and day," George Annas, a Boston University medical ethicist, told the *New York Times*. He noted that Quill had known his patient, a 45-year-old woman dubbed "Diane," for many years. By contrast, Kevorkian had been in touch with Janet Adkins for only a few weeks prior to her suicide and had first met her the weekend before. And the author of "It's Over, Debbie" was a resident physician on call; his only contact with the patient, who was dying of ovarian cancer, occurred the night he killed her.

Annas also stressed the remoteness of Quill's involvement in his patient's death. After Diane repeatedly told him that she wanted to commit suicide, Quill advised her to seek information from the Hemlock Society. A week later, she called him and asked for sleeping pills. He supplied them, carefully informing her of the soporific and lethal dosages. In the case of Janet Adkins, Kevorkian hooked her up to his suicide apparatus and stood by as she pressed a button to administer a fatal dose of potassium chloride. The physician who treated "Debbie," on the other hand, directly injected her with an overdose of morphine.

These differences matter under the law. While attorneys advised Quill that he probably would not face criminal charges, Kevorkian escaped prosecution only because of a quirk of Michigan law; Debbie's doctor, if he or she could be identified, might well be charged with homicide. Yet the essence of the act was the same in each case, given one crucial condition: the patient's consent.

Pace Annas, a lengthy or close relationship does not guarantee consent; indeed, doctors who know their patients well might be more inclined to make decisions on their behalf. Conversely, a brief, businesslike relationship does not preclude informed consent. The accounts of Janet Adkins's friends and relatives, together with the messages she left and the papers she signed, make it clear that her decision to commit suicide was a thoughtful one.

"It's Over, Debbie" leaves some doubt on this score, since the patient's instructions, as reported, were ambiguous. But if her request had been clear and documented, there would be no reason for legally distinguishing between her case and the other two.

Furthermore, although all three cases involved a terminally ill patient assisted by a doctor, this similarity is not relevant to the question of consent. It's easy for most people to understand why someone faced with the prospect of dying painfully from cancer or of slowly losing her mind to Alzheimer's disease might want to commit suicide. In any case, polls find most Americans believe physicians should be allowed to assist such patients.

But if the law is to respect fundamental rights, it must not inquire into the why and how of suicide. Just as the right to property entails the right to give it away or destroy it, the right to live entails the right to die. The decision of whether to commit or assist a suicide should remain with the individual.

Few people who support a right of suicide would apply it to children, the severely mentally retarded, or someone in the advanced stages of Alzheimer's. But this sort of exception can be carried too far: Suicidal intent in itself should not prove legal incompetence, even when the reason seems irrational or when the person, if stopped, would live to regret the impulse. Mistakes, even fatal ones, are a price of liberty.

Still, defining the limits of the law does not end the moral debate. As Quill put it: "People have a right to commit suicide, but my participation is something I am very conservative about." Accepting another's right to kill himself does not mean that you agree to assist him, or even that you approve. You might still wonder what reasons (if any) are adequate and what role (if any) physicians should play. These are questions that should be thrashed out by doctors, philosophers, and religious leaders. But not by legislators.

L.A., LAWLESS

RICK HENDERSON

We expect to see such violence in the townships of South Africa, not the streets of Los Angeles. Yet the videotape of Rodney Glen King's beating is only slightly more disturbing than the official response of the law enforcement community, and what it says about urban law and order.

The police and the highway patrol say they observed King driving 115 mph in his Hyundai (yes, Hyundai) and pursued him. He eluded them for a while. But once King stopped and got out of his car, the police shot him with a stun gun. Then a group of officers kicked him and pummeled him with night sticks (at least 53 times, according to a *Los Angeles Times* count).

The eyewitness who videotaped the assault told reporters that King "was pretty much cooperative" before the officers started their attack. Other witnesses agreed. But King spent two days in a hospital and has suffered injuries that may never heal, including brain damage. King had served time for second-degree robbery and admitted he was speeding; he said he hoped to evade the police so that he wouldn't violate parole and lose his job as a construction worker. He's been released, not even charged with speeding.

One shining principle of liberal democracy is the rule of law—the belief that the same set of constraints applies to the rich and the poor, the mighty and the weak. Jefferson articulated this principle in the Declaration of Independence; George Mason and the Founders codified it in the Bill of Rights. It's one of our proudest traditions. Yet Los Angeles is far from lawful, and the stench of lawlessness goes directly to the first link in the chain of command.

Police Chief Daryl Gates charged three of the officers with felony assault; a grand jury indicted those three as well as the sergeant in charge. Gates called the incident an "aberration...in a well-disciplined department."

Not quite. Rodney King is black; the 15 officers who rounded him up are white. And LAPD officers have participated in a perceptible pattern of violence against racial minorities. Police officers beat Joe Morgan, the Hall of Fame baseball player and lead commentator on ESPN's Sunday night telecasts, after mistaking him for a drug dealer; on February 14, a court awarded him $540,000 in damages. A few days after that ruling, Jamaal Wilkes, the former Laker basketball star, was handcuffed and roughed up by the police because his car registration was about to expire. Other examples involving less prominent blacks and Latinos abound.

George Will calls Gates the "Eight-Million-Dollar Man": Last year, judges awarded $8 million in damages to victims of police brutality in Los Angeles. Local taxpayers picked up the tab. Thanks to generous civil-service rules, it's nearly impossible to fire Gates. And he told reporters on March 7, "I have absolutely no thoughts of resigning." In fact, he wants to run for mayor.

Reports of excessive force by law enforcement officers—not just those in the LAPD—appear in the newspapers almost daily. On March 10, while trying to break up a domestic dispute involving two unarmed Samoan brothers, a Compton police officer shot and killed them. The coroner's report said the officer shot his targets 20 times altogether—one man received eight slugs in the back, the other took five.

After the King case broke, the Santa Ana police chief, a former LAPD deputy chief, and a Cal State-Fullerton criminologist defended the LAPD in the op-ed pages of the *Los Angeles Times*. They said the case was atypical and that a few bad apples shouldn't spoil the bunch.

But there's no way to tell how unusual these incidents are. We pay attention when a sports hero gets roughed up or when a video camera films a beating. What happens during the thousands of routine interactions between the police and average folks? A letter writer in the *Times*, who is black, said he and some friends were "stopped, roughed up, handcuffed and ankle-cuffed and detained for two hours while walking back to my car after a late show in Westwood." Even if a few officers cause all the trouble, what is Gates doing to get rid of them?

Several pundits have come to Gates's defense. Llewellyn Rockwell, president of the Ludwig von Mises Institute, defended the police action because, he said, ex-cons like King have it coming. Our streets were safer when cops could rough up the accused at the station house. Put the fear of God in 'em. The issue for Rockwell is "safe streets versus urban terror."

Rockwell's argument is unconscionable, especially coming from a self-described libertarian. It seems unlikely that the officers who arrested King were aware of his criminal record at the time; even if they were, King had paid his debt to society. Suspected criminals, even "ex-cons," don't lose their due-process rights the instant police officers apprehend them. King also doesn't fit the profile of a common thug: He is married; he has two children and a job. And how does random violence against accused speeders square with the libertarian principle of innocent until proven guilty?

The issue is indeed safety versus terror. But in Los Angeles, the police cause much of the terror themselves. At some point, the chief of police has to take responsibility for the actions of his officers. Otherwise the police no longer serve and protect—they become another malevolent force in a lawless city. Their specific pattern of violence against minorities inspires resentment of law enforcement officials and terrorizes all Angelenos, most of whom obey the law. As George Will said, "It's time for Mr. Gates to go."

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LETTERS

Fuming About Smoking

In his article "Smoke and Mirrors" (Feb.), Jacob Sullum writes: "By entering a business that allows smoking, you consent to be exposed to tobacco smoke, just as you consent to be subjected to loud music by entering a dance club or attending a rock concert."

What? Have I missed something? People go to clubs and concerts (as a rule) precisely because they wish to hear music. I have never heard of an establishment which people frequent in order to inhale other peoples' tobacco smoke.

Lewis Kapell
Manlius, NY

IF SOMEONE WISHES to commit suicide by a such a slow and uncertain method as smoking tobacco, that is their right, though one would first like to see them making adequate provision for their dependents. However, should someone wish to commit hara-kiri, I would hope that they would have the decency to do it in their own home. Were they to do it in my home or my place of work, I would probably feel like suing their estate for my mental anguish, not to mention the cost of cleaning the carpet.

Smokers are eager to claim that their addiction has not been proved to harm others and yet seem curiously insensitive to those who have an allergic reaction to tobacco smoke or who just plain dislike the smell. Every time my employer allocates a smoker to the next office, Mr. Sullum implies, I should be forced to uproot myself. Jobs in my field are rare enough.

The real issue in smoking versus liberty is not the rights of smokers: My right to breathe clean air is surely greater than the smoker's right to pollute it. The issue is the right of a manufacturer to sell a product which is of no benefit to the purchaser and which is indeed positively harmful to him or her. In the ideal marketplace, given a fully informed public, there would be no purchasers for tobacco or for any of the other worthless and dangerous products on sale today. Until that day arrives I will happily accept government regulation of those who defraud the public. Is this paternalism or simply the enforcement of sound business ethics?

Snake oil did no harm except to the wallet; it might even have made the purchaser feel better. By contrast, smoking has no known benefits. Tobacco users are dependent on a harmful product which makes them feel as good after a cigarette as nonsmokers do all the time. They should be encouraged to stop, if they still can, and every effort should be made at the personal and governmental level to discourage the creation of further addicts.

Thomas M. Napier
North Wales, PA

SMOKING IS AN ANNOYING habit like the indiscriminate discharge of guns in public is an annoying habit. It's an annoying habit like drunk driving is an annoying habit. It's a drug addiction, not a habit. It maims and kills people, it doesn't just annoy us. Jacob Sullum greatly trivializes and euphemizes. Such deception does not belong in a magazine that prides itself on honest reporting.

Second, it makes no difference which end of the cigarette you are on. Smoking indoors results in inhaling the same chemicals and radioactive particles over and over. Your radiation exposure is greater if you smoke than if you work in a nuclear power plant. Tobacco smoke also coats ventilation systems with tar, a perfect substrata for molds and mildews.

Third, the free market will not protect us from smokers any more than it will protect us from other crazy people. Laws

banning smoking are highly desirable. You cannot reason with a smoker. If he were reasonable, he would not engage in such a senseless activity.

My personal prescription is to send all smokers to the Smith and Wesson Smoking Cessation Clinic, or allow normal people to literally fight back with full protection of the law on the grounds of self-defense. Of course, I realize that won't work in our society, so a good compromise would be a ban on public smoking and a policy that treats tobacco just like any other deadly drug.

Mark Lamendola
Cleveland, OH

THE MEDICAL DATA overwhelmingly proves tobacco smoke to be toxic and carcinogenic. Imagine arriving at a public restaurant to find that all the food has been laced with toxins. You must choose between consuming the toxins or leaving. That's the choice I face every time I enter an enclosed public place where smoking is permitted. The only difference is the method of consumption.

In this way, smokers have been imposing their preference upon others since tobacco was invented. Our efforts are intended only to correct this long-standing injustice.

This is not a question of freedom or lack thereof. Even if the only negative effect of tobacco smoke is its bad smell, it is a question of one group's right to smell bad versus another group's right to be free of such smells. We must find a way to accommodate both.

Gilbert A. Hastings
Lakewood, CO

JACOB SULLUM CITES a Rand Corp. study showing that "smokers tend to die early." Obviously this implies that nonsmokers die late. The latter has been recognized by some insurance companies in charging nonsmokers lower premiums for life insurance. As far as I am aware, no insurance company offers better terms to smokers for *annuity* policies because of shorter life expectancy. Unfair discriminatory practices such as this have

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"Land for Peace"

Can it solve the problems of the Middle East?

There has been much emphasis for years, intensified in recent months, on the "land for peace" formula to solve the long-simmering problems of the Middle East. Translating this slogan into plain English means that Israel should surrender Judea-Samaria (the "West Bank") and Gaza to the Arabs. They would establish a Palestinian state. Once that happened, it is thought that peace and tranquility would soon come to the troubled Middle East.

What are the facts?

■ The concept of "land for peace" is a totally new one in the history of the world. It was formulated for one specific purpose only, namely to persuade and pressure Israel to give up territories that it has administered since the Six-Day War of 1967. By its victory in that war, Israel wound up in possession of these territories. Contrary to what many are led to believe, the "West Bank," the focus of today's attention, had never been part of any Arab country. It was part of Palestine, a territorial unit that, by the Mandate of the League of Nations and in line with the Balfour Declaration, had been designated as a national home for the Jewish people.

■ Thus, while the concept of "land for peace" is a brand-new one, the concept that to the victor belong the spoils is as old as history itself and had really never been questioned before the days of the Israel-Arab conflict. Our own country, of course, following its Manifest Destiny, has benefited greatly and has consolidated its territory by applying this motto. But Israel followed a different path. From the day of victory in 1967, it waited for an offer of peace from the Arabs. But that offer never came. Instead, immediately following the war, the Arabs pronounced their three unalterable "no's:" no recognition, no negotiation, and no peace with Israel.

■ In 1977, President Sadat of Egypt traveled to Jerusalem and presented a peace plan to the Israeli government. The Israelis eagerly embraced his suggestion. In exchange for peace and normalization of relations with its neighbor, Israel returned to Egypt the vast Sinai peninsula, together with the city of Yamit; some of the most advanced military installations in the world; the port and naval installations of Sharm-el-Sheik, which safeguard Israel's access to its port of Eilat; and the oil fields that Israel had developed and which had made Israel self-sufficient in its energy requirements. And, of course, Israel also gave up the natural buffer against aggression that the Suez Canal and the strategic depth of the Sinai itself provided. It was a first in history. Never before in the chronicle of mankind had the victor returned conquered territory to the vanquished in order to attain peace.

■ One would expect that the concept of "land for peace" would work both ways. After all, should not the Arabs also make some territorial sacrifices for peace? Unfortunately, that is not the case. Every inch of land held by the Arabs is considered "holy Arab soil" and its possession by the "infidels" (Christians or Jews) is inadmissible, intolerable, a blasphemy and a case for "jihad" (holy war). No compromise, no concession is ever possible. The way the "Taba issue" was finally resolved further illustrates the Arab belief that the "land for peace" principle is basically a one-way street.

■ The "land for peace" formulation is now applied mostly to the Judea and Samaria (the "West Bank") and Gaza regions. Israel's foes, but also some of its friends, urge Israel to yield these regions to the Arabs, in exchange for "peace." But there is no peace, and no peace will come about by Israel's giving up this area of vital strategic importance to those who are its sworn enemies and who have declared over and over again that they wish to use this land as their launching pad for the final attempt at the destruction of Israel. The conflict in the area is not only between Israel and the "Palestinians." It is first of all between Israel and the Arab nations. With the single exception of Egypt, virtually all of them are still in a state of war with Israel.

To none of the Arab countries has the possibility ever occurred of *their* trading land for peace, for instance yielding the "West Bank" to Israel for the sake of peace. Not one of these countries has even hinted that they would make peace with Israel if Israel yielded the administered territories to the Arabs. There isn't even a gesture of accommodation, such as a lifting of the over 40-year-old Arab economic boycott against Israel, an apology for the odious slander that Zionism is Racism, or a discontinuation of the yearly charade in the United Nations, in which the Arab states attempt to expel Israel from that body. For the victor to yield land for peace to the vanquished is a new idea—who knows, it might even be a good one. But it surely would have to work both ways in order to be valid and effective.

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become all too common under our present thorybocracy. (From the Greek *thorybos,* meaning noise of a crowd.)

Leonard J. Goldwater, M.D.
Chapel Hill, NC

I HAVE OFTEN WONDERED why the antismoking activists didn't focus on the obvious inconsistencies of government policies as the primary way to reduce the availability of tobacco. If smoking is as harmful as the Surgeon General's warnings indicate, for example, why should the government subsidize farmers who grow tobacco? Why not encourage them to grow something else, if only by removing price supports on tobacco?

After reading "Smoke and Mirrors," I think maybe I see why. The government is under no compulsion to be logical or consistent. Its motivations spring from quite unrelated concerns. When attempting to influence the course of an enormous organization that is itself elitist and paternalistic, it may simply be more practical to support initiatives that have a chance to pass.

I support some antismoking legislation on grounds of public safety. As I recall it, the airline no-smoking laws came in response to an incident in which a smoker's carelessness set a plane on fire. Second-hand smoke is one thing, second-hand fires are quite another.

Dick Crawford
Napa, CA

JACOB SULLUM'S thought-provoking article suffers from an unfortunate failure to apply to his subject matter the libertarian principles that usually inform your publication. The most relevant principle is that deliberately hurting another person, in the absence of either an overriding emergency or that person's consent, is initiation of force. Many people are sensitive or allergic to smoke, tobacco, or both, and experience severe discomfort when exposed to tobacco smoke. Exposing a smoke-sensitive person to tobacco smoke without their consent is initiation of force.

It follows that a smoker who does not wish to initiate force should not expose others to smoke without their consent. This may be achieved by not smoking; by smoking without exposing others to smoke—for example outdoors, or in a well-ventilated area, or alone; by obtaining explicit consent; by smoking with assumed consent, ready to stop or move if anyone contradicts the assumption; or by smoking in a "free fire zone"—a place whose owner has obtained the requisite consent from everyone present.

Unless one has explicitly agreed to be exposed to smoke, or has entered a place whose owner asks nonconsenters to keep out, one has not consented to assault by smoke. Contrary to Mr. Sullum's assertion, "entering a business that allows smoking" does not mean that "you consent to be exposed to tobacco smoke."

Claiming that I agree to breathe smoke any time I venture out of a smoking-prohibited enclave is rather like saying that Mr. Sullum consents to be punched in the nose every time he enters a place whose owner does not explicitly prohibit the swinging of fists.

If there is any conclusion to be drawn from Mr. Sullum's facts, it is that when oppressed people rise up against their oppressors, the rights of the erstwhile oppressors may get stepped on. Those who wish the antismoking movement to go away should start by educating smokers to respect the rights of smoke-sensitive people. No one will stand up for the rights of smokers while doubled over from choking on smoke.

Adam V. Reed
Morganville, NJ

JACOB SULLUM'S "Smoke and Mirrors" obscures the social problem caused by smoking: spillovers. Smoking is a noxious nuisance to nonsmokers, and cigarette smoke clings to clothing. The cumulative lung damage to nonsmokers cannot be dismissed. Cigarette taxes are a utilitarian way to discourage smoking and should be used to prevent needless deaths. It is a proper function of government to protect the essential rights of citizens. As John Locke wrote, it should expand freedom when it can.

It is a positive development that more restaurants have nonsmoking areas to enhance their environment. A nonsmoking night club recently reported an increase in customers. It is clear that fewer people are smoking, and growing numbers are demanding clean air in public places.

Any noncoercive effort to improve air quality should be applauded. Unless a smoking bag or container is invented, the negative externalities of smoking need to be addressed—and curbed in a humane fashion.

Brent J. Bielema
Fulton, IL

I AGREE WITH Jacob Sullum that "tobacco smoke seems to have a peculiar ability to obscure issues," though not with his judgment as to what issues have been obscured. His discussion of "secondary smoke" takes up only the question of whether the smoke exhaled by smokers is harmful to the health of those around them. This suggests a presumption that is totally bizarre for a supposed libertarian: that it is all right to subject users of public spaces to anything that causes them no physical damage, no matter how much discomfort it causes them or how much it hinders their enjoyment of whatever it was that brought them there to begin with—for example, the food offered by a particular restaurant.

A huge variety of activities ranging from fondling a person to spitting on him do the victim no physical harm but would normally be regarded as outrageous invasions of his person if they were done without his permission. Mr. Sullum has a right to pollute the air in any space over which he can claim proprietorship, but otherwise his right to exhale smoke ends where my mucus membranes begin.

There remains, of course, the question of whether "secondary smoke" poses a health risk to those on whom it is inflicted, and Mr. Sullum is aware that this question is a matter of controversy. However, a person need not wait until the controversy over the research is resolved before deciding that the potential risks from secondary and primary smoke are best avoided; it is as foolhardy to ignore

these risks as it is to blithely associate with a person under indictment for a series of murders merely because he hasn't yet been convicted. Smokers are entitled to try to convince me that my worries about secondary smoke are unfounded, but not to arrogate to themselves the right to decide for me that smoke poses no risk worth worrying about.

James D. McCawley
Dept. of Linguistics
University of Chicago
Chicago, IL

WHILE I QUITE ENJOYED Jacob Sullum's "Smoke and Mirrors," I believe his informative essay merely unscrewed the tight lid on a jar of worms without having actually removed it.

I am a smoker who has found himself shunned, ostracized, and segregated in public, at the office, and even socially. I was not surprised that Mr. Sullum opened his essay with an anecdote about a libertarian supper club; some of the most rabid and demonstrative antismokers hail from the ranks of Objectivists, libertarians, and other movements that oppose the very kind of government-mandated social puritanism these individuals nonetheless seem to endorse.

Like much of the nonintellectual, uncritical public, these same cheerleaders for freedom have proven themselves to be just as susceptible to the barrage of propaganda and "public service" messages about smoking and other topical issues. Their behavior has not instilled in me much trust or regard for their professed convictions.

But in a larger sense, I do not believe Mr. Sullum was hard enough on the antismoking movement and its corps of activists, whose portrait he barely sketched. These people are after nothing less than universal obedience and conformity, and I do not believe that the particular issue matters to them. The universes of these petit fascists are small and mean: Fur coats, aerosols, pornography (and now even pinups), television programming, or private clubs would do just as well as smoking as a *cause célèbre*. The diminutive, nonfundamental nature of these and

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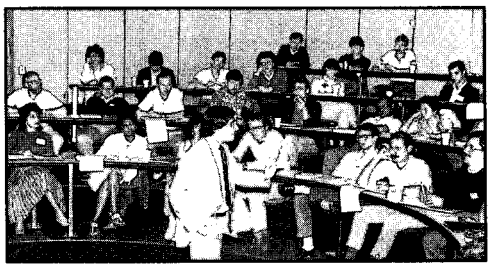

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other current issues reflects the apex of their moral and intellectual concerns.

In a free society, individuals of this ilk would be shunted to the fringes and never be granted the opportunity to impose their pet peeves on free men. In our "democratic" society, they can bend the ear of a government or politician whose commitment to "freedom" must mean an expansion of government power, however minute—otherwise they have no interest. Absolute rights have virtually disappeared from the letter of the law, constitutional or otherwise. What we are getting now is a choirload of "rights" of which Roosevelt's "Four Freedoms" were the original barbershop quartet. Such disintegration has no bounds; one can redefine *freedom* by negative criteria ad infinitum, until everyone is immobilized, cleansed, cut from the same cloth, and ready to serve and obey. The antismoking movement is but a single constituent of the spreading miasma of soft totalitarianism in America.

Edward Cline
Palo Alto, CA

THE UNDERLYING motivations of antismoking organizations should be examined in light of their lack of objections to one particular niche-market cigarette. There has been no furor over the introduction of Bucks, a brand aimed at rural, white males—especially hunters. This segment of the population is both poor and undereducated—two characteristics that put them into the special class of people that supposedly need the protection offered by the antismoking groups. Why aren't these groups interested in the health and well-being of gun-toting, Southern rednecks?

Allyn Uptain
Chipley, FL

Mr. Sullum replies: Mr. Reed and Mr. McCawley are right; from a libertarian perspective, it does not matter whether tobacco smoke is a health hazard or merely a nuisance. I agree that consent is the crucial issue. But consent need not always be explicit. If you enter a business knowing that you may be exposed to tobacco smoke on the premises—and this is quite well understood, for example, in a restaurant, where one is asked at the entrance to choose between smoking and nonsmoking sections—you have granted implicit consent. Similarly, if you were told that you might be punched in the nose during your meal, you would probably stay away; if not, your nose would be fair game. The difference is that it's far more common for businesses to allow smoking than it is for them to permit fistfights, so more effort must be made in the latter case to inform the customer.

Discovery Channels

In "No Secrets" (Feb.), Walter Olson says of the pervasive invasions of privacy committed by attorneys through the discovery process: "We would never in this country entrust such a power to the public magistrate, even in a time of emergency and civil disorder. It would be too obviously a weapon of tyranny."

In point of fact, the same techniques described by Mr. Olson, as well as other even more insidious techniques, are used frequently by attorneys employed by agencies of the government. While both the IRS and the SEC have long histories of trampling individual rights through abuses of discovery in the process of their crusades, the most recent administrative culprit is the Office of Thrift Supervision (OTS). Not only are these administrative depositional "fishing expeditions" performed repeatedly by officers of the OTS, but the rules of civil procedure governing such depositions, even such basic tenets as notice and cross-examination, as outlined by Mr. Olson, are systematically and contemptuously ignored.

For example, as part of "ongoing investigations," OTS attorneys routinely depose witnesses without 10 days' notice, without the opposing attorneys being present, and without even informing opposing counsel of the deposition. Should a federal judge attempt to intercede claiming that the *ex parte* deposition is outside the bounds of civil procedure, the OTS claims that the deposition is part of an ongoing investigation and is outside the federal judge's jurisdiction, as it is an administrative matter subject only to administrative law. Yet the deposition can be, and usually is, admitted as evidence in federal court.

In the unlikely event that the administrative judge (who has been assigned, perversely enough, by the very agency performing this deposition) should attempt to intercede and stop the deposition, the OTS then claims that the particular deposition in question is part of a distinct investigation not related to the specific case currently before the administrative judge and therefore outside of *his* jurisdiction. But again the administrative judge cannot keep the transcript from being admitted subsequently as evidence. The defendant has no recourse, as there is no judge with jurisdiction over the deposition until the administrative agency bringing the case decides to assign one. This example merely scratches the surface of the abuses committed in the name of discovery by government prosecutors.

Without diminishing Mr. Olson's very astute observation that the discovery process is abused by private attorneys, it is imperative to be aware of similar abuses committed by attorneys employed by the government. We live in troubling times. As our society becomes increasingly litigious and as the leviathan of government bureaucracy becomes more pervasive and powerful, we can look forward to more and more intrusions into our privacy, not just by contingency fee–hungry claims attorneys, but also by glory-seeking administrative lawyers attempting to advance their careers at the expense of private citizens unjustly accused. As ugly as it may be to watch private-sector attorneys bending the rules of civil procedure and breaking outright standards of propriety in order to pursue private profit, it is significantly uglier to witness government attorneys utilizing the same dubious methods of conduct (and worse) in order to pursue questionable political ends. Greed may be dangerous, but as Mr. Olson implies, tyranny is deadly.

D.J. Paul
Providence, RI

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LETTERS

WALTER OLSON IS CORRECT that modern legal discovery procedures give lawyers much too much power to demand the attention and cooperation of others. I am less concerned with protecting secrets or privacy interests, however, than I am that these procedures invite, facilitate, and extend litigation, the plague of our society.

The essential, destructive contradiction of our society is not, as Marx thought, that capitalists increasingly exploit workers, but that we allow lawyers—all of our judges and often a majority of our legislators—to make the law, and they are inevitably hooked on the stuff. We must remember that the more numerous and badly crafted laws become—making everyone a violator—the better for the lawyers.

The 1938 major procedural changes meant to simplify litigation have, in fact, served to greatly increase it. We should return to the hard-headed common law system that required claims to be stated with specificity and in detail; a huge improvement would be to abolish the recently invented "class action." Over three-quarters of a million lawyers will scream, but perhaps through retraining they can be redirected into some socially useful occupation, such as coal mining.

The upside is that our society is very easy to improve: Just repeal most laws passed in the last 50 years, and assuredly, all of us (except the lawyers) will be better off.

Lino A. Graglia
School of Law
University of Texas
Austin, TX

TO REFORM THE HORRIBLE abuses of the legal discovery procedure, it would be helpful if a clear-thinking judge said: "Selected incidents can never prove a pattern of behavior. Counsel seeking to do so must not only screen all the evidence for the sought-after behavior, but must screen equally diligently for its opposite and present both in order to show the sought-for behavior constitutes a pattern rather than mere inconsistency, which is never punishable. Moreover, it is neither just nor acceptable to burden your opponent with this duty."

James D. Thackrey
Santa Ana, CA

WALTER OLSON'S ARTICLE was entertaining, but not really news. Clients, lawyers, and judges have complained about discovery abuse for at least a decade, and their complaints have borne fruit. For example, many federal district courts have adopted local rules limiting the number of interrogatories a lawyer may propound. (Local Rule 5.D of the U.S. District Court for the Southern District of Texas permits "[n]o more than thirty interrogatories (counting subparts)" without a judge's permission.)

Judges have also experimented with a variety of techniques, including court-annexed arbitration and summary jury trials, that avoid full-blown litigation and reduce expense. More impressively, at the end of last year, Congress enacted the Judicial Improvements Act of 1990, which anticipates sweeping changes in the manner of discovery practice in all federal courts. The act requires all district courts to adopt programs designed to reduce the expense and delay of litigation, and identifies reform of the discovery process as a primary concern. The act also provides for the creation of advisory groups throughout the country to contribute to the reform effort. Perhaps Mr. Olson could find a group in his area to join.

Mr. Olson's article contains a good deal of hyperbole as well. There is, of course, nothing wrong in focusing exclusively on examples of abuse when writing for a popular magazine, but when advancing a serious claim that the legal system stands in need of reform one must recognize the good as well as the bad.

And there is a lot of good. Leo Jordan, associate general counsel for State Farm Insurance Co. (an organization likely to favor stricter discovery rules), recently reported in *The Judges' Journal* (a publication whose readers hold the same view) that "to [his] surprise" a survey conducted by his company's research arm "pointed out that the [discovery] system works and is abused only infrequently." The study also found "increasing judicial sanctions for discovery abuse." Apparently, judges are becoming increasingly intolerant of lawyers who propound discovery requests merely for the sake of vexing the other side.

Some of Mr. Olson's objections are directed (perhaps quite rightly) at this country's substantive laws, rather than at the procedural system in which those laws are enforced. When Mr. Olson pleads the case of Sears, which was ordered to bear the considerable expense of searching through thousands or millions of customer complaints to find the few relevant ones, the object of his scorn is probably the law of torts, under which Sears can be held liable for selling the flammable pajamas that injured the plaintiff. It may not make sense to have a tort system that charges Sears with the duty to assess the safety of each of the hundreds of thousands of products it sells. But we have such a system, and it is no complaint against the procedural system to say that it helps people vindicate their existing legal rights. That is what a procedural system is supposed to do.

The deep problems with the discovery process have more to do with our modern legal culture—a culture in which firms do battle with firms and individual lawyers may neither matter nor expect to see each other again in a subsequent case—than with the rules of civil practice. Any discovery system that gives parties some freedom to gather information will be abused by lawyers who lack incentives to cooperate with the opposing side. I'm told that in the old days when members of the bar dealt with each other frequently, the temptation to do in one's adversary by underhanded means was generally kept in check, for the same reasons that lead businesspersons to cooperate with each other most of the time. Now that law is a big, anonymous business, cooperation will be difficult to encourage, no matter how we design the rules, and the incentives to abuse one's adversary will be strong.

Lastly, I'm not sure that libertarian principles support the sweeping protection for privacy Mr. Olson desires. I agree that privacy should be the rule in cases where people act in ways that affect

primarily themselves. But civil lawsuits routinely involve acts that have wider effects. Do libertarian principles entitle a person who harms another to keep secret information that may be vital to the victim's case? I can't see why.

It is true that a plaintiff should not be free to pry into every nook and cranny of a defendant's life, and Mr. Olson's examples show that plaintiffs often go too far. But the need for relevant information (a category broader than admissible evidence) is clear and, as far as I can tell, a practice that allows plaintiffs to gather relevant information, with suitable constraints on its use, would not violate libertarian principles even if it required defendants to bear a degree of inconvenience and expense.

People who harm others have to expect that they will occasionally be called to account and made to produce the information needed to establish the legality of their acts.

Charles Silver
School of Law
University of Texas
Austin, TX

ALTHOUGH STATED hyperbolically, Walter Olson's article is essentially correct. Civil litigants *are* less protected than criminal defendants. The interesting questions to ask are: Why is this so? Is this defensible? What values does this different treatment embody? Should we care?

Mr. Olson makes good points, and his thesis is one that has troubled me every time we march through the discovery portion of civil procedure.

Linda S. Mullenix
School of Law
University of Texas
Austin, TX

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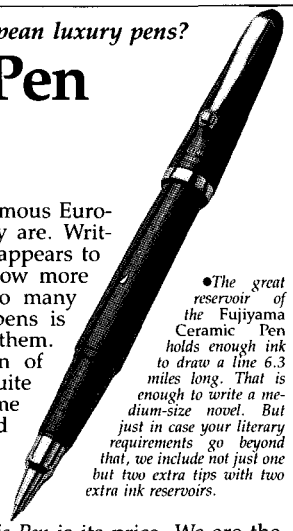

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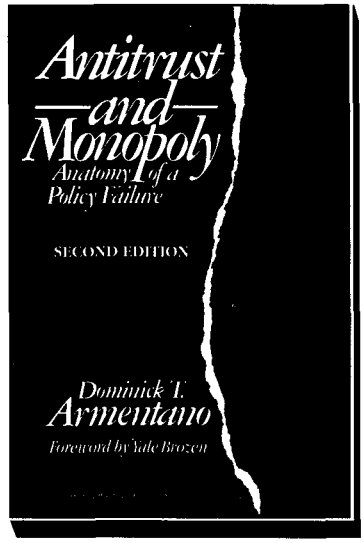

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Disarming Approach

Thousands of otherwise law-abiding Californians became criminals on January 1. That was the deadline for owners of firearms classified as "assault weapons" to register them with the state. Residents of California own an estimated 300,000 such guns; only some 18,000, about 6 percent, had been registered by the end of the year. The rest are now legally subject to seizure.

The state Department of Justice initially gave local police the names of those who tried to register their guns after the deadline. But Attorney General Daniel E. Lungren, who took office in January, wants to give gun owners more time. He has asked the state legislature to extend the deadline set by the Assault Weapons Control Act of 1989, passed in response to the Stockton schoolyard massacre.

Senate President Pro Tem David Roberti, cosponsor of the law, has introduced a bill that would allow a 90-day window of opportunity for gun owners who have not registered their weapons to do so. The bill passed the Senate Judiciary Committee in February. Meanwhile, the state does not plan to actively enforce registration.

Lungren attributes the registration fiasco to poor publicity. It's clear, however, that many gun owners are deliberately disobeying the law. T.J. Johnston, chairperson of the Gun Owners Action Committee, says that, judging from his personal contacts, most of those who missed the deadline are refusing to register as a matter of principle. "They're very aggressively resisting," he says.

The assault-weapon law, which covers 56 firearms with "military-style" characteristics such as large magazines and folding stocks, requires registration of guns owned prior to June 1, 1989; it bans ownership after that date. Violators face fines and prison terms of up to 12 years.

Johnston worries that Lungren's leniency may encourage resisters to change their minds. "I'm afraid that some people will fold," he says. "But I hope they'll remain strong in their convictions." He notes that the disobedience is spontaneous rather than organized.

Pam Pryor, a spokesperson for the National Rifle Association, says the California experience may not affect the prospects for assault-weapon laws in other states. After the California ban was passed, gun-control advocates predicted that many states would follow suit. So far only New Jersey has, but its law covers more weapons and allows fewer exceptions than California's. The New Jersey deadline for registering or surrendering guns is still months away, so it's too early to assess compliance.

In any case, Pryor notes, "there's mass noncompliance with gun-control laws all over the country. I'm not sure that the effectiveness of these laws makes any difference."

—Jacob Sullum

Rx for Health Care?

Union leaders, editorialists, and politicians tell us that the cure for rising medical costs is for the United States to adopt a Canadian-style managed health-care system. But economists north of the border say that the Canadian health-care system has led to shortages of badly needed services and procedures. A survey of patients in British Columbia seems to bear this out. Researchers found long waiting lists for some fairly basic procedures.

Procedure	Patients Waiting	Avg. Wait (weeks)
Cystoscopy	944	24
Cataract removal	882	18
Tonsillectomy (children)	522	14
Prostatectomy	456	31
Septal Surgery	434	33
Hand Surgery	340	12
Disc Surgery	315	14
Coronary Bypass	313	24
Mamoplasty	303	19
Laparoscopy	236	13
Tubal Ligation	212	16
Hysterectomy	206	16
Tonsillectomy (adults)	173	16
Tympanoplasty	149	19
D & C	136	6
Rhinoplasty	132	20
Scar Revision	121	13
Bladder Fulguration	109	29

Source: "Perception vs. Reality: Taking a Second Look at Canadian Health Care," Heritage Foundation

Building a Nest Egg

Nearly 18 months after Rep. John Edward Porter (R-Ill.) asked the General Accounting Office to estimate the effects of partially privatizing the Social Security system, the GAO's report is out. (See Trends, Dec. 1989.) If Congress pays attention to the GAO's findings, the prospects for future retirees could improve dramatically.

Social Security currently collects billions more in payroll taxes than it pays out in benefits. This surplus is supposed to be reinvested in government securities that will pay benefits for future retirees; in truth, the surplus merely masks the overall federal deficit. The GAO study estimated the return on investment individual taxpayers would receive if they invested their surplus taxes in private, interest-bearing accounts (Individual Social Security Retirement Accounts).

Allowing for estimated cost-of-living increases, the GAO worked out how much money would accumulate in an ISSRA with a long-term real return comparable to government securities (1 percent), to corporate bonds (1.6 percent), or to stocks that match the Standard & Poor 500 index (5.5 percent). The GAO estimated that the average S&P investor would accumulate 24 percent more at retirement than someone who stuck with Social Security alone; the other investments would about match Social Security.

Porter's plan would let individuals invest the Social Security surplus.

Of course, individual investments or Social Security might do worse than expected. Indeed, Peter Ferrara of the Cato Institute has reported that Social Security's true return on investment for younger taxpayers can actually lag behind the inflation rate.

Robert Gustafson, Porter's legislative director, says ISSRAs would have a built-in advantage over Social Security: At retirement, accumulated ISSRA funds would belong to the retiree—and not be swallowed up in a bogus trust fund that's later paid out to somebody else. Millions of low- and moderate-income Americans would have a retirement nest egg—or a substantial death benefit for their survivors, whether or not they live past retirement.

Gustafson says that Porter will introduce at least one bill to establish a program like the one in the GAO study. Porter's bill would end the Social Security surplus, allowing individual taxpayers to invest excess payroll taxes in the ISSRAs of their choice.

While Gustafson says he doesn't know if an ISSRA plan can win congressional support, a February 1990 poll by Market Opinion Research shows 68 percent of adults support the concept. The proposal's strongest supporters are young people: 87 percent of 18- to 25-year-olds and 78 percent of 25- to 39-year-olds favor the plan.

Porter's program would not return excess payroll taxes to individuals. It is a forced savings plan. But it would allow Americans who retire in the 21st century to have a lot more control over the money they've earned.

—Rick Henderson

Deadly Aphrodisiacs?

Just in case America's teenagers were not frightened enough by the prospect of their brains turning into fried eggs, the federal government has launched an antidrug campaign aimed at communicating a new message: "Use of any drug can lead to AIDS."

The warning, brought to you by the National Institute on Drug Abuse, is being hammered home by a combination of print ads, billboards, and radio spots, along with TV commercials directed by Martin Scorsese and narrated by Spike Lee. NIDA explains: "The impression campaign creators hope teens will absorb after seeing the ads is that 'Using drugs, *any drug*, can cloud my judgment. In this state, I could put myself at risk for getting AIDS. Nothing is worth that risk.'"

But just how big is that risk? How likely is it that a kid who smokes a joint or drinks a beer will end up dying from AIDS as a result?

To bolster the premise of its campaign, NIDA cites a nonrandom survey of 222 inner-city black teenage crack users, 96 percent of whom were sexually active. About half reported having sex after smoking crack, and 77 percent had not used a condom the last time they had sex. But the data do not indicate whether the subjects were less likely to use condoms after smoking crack. In any case, the experiences of young inner-city crack smokers are hardly typical of teenagers in general.

NIDA also cites a random survey of Massachusetts teenagers in which 16 percent of sexually active subjects said they used condoms less often after drinking, and 25 percent said they used condoms less often after taking other drugs. But drug-related condom failure appears to be rare overall: Those who reported it represented only 5 percent or so of the roughly 1,500 respondents.

Furthermore, even if teenagers who had sex under the influence of drugs routinely neglected to use condoms, their risk of contracting AIDS would be inconsequential. As Michael Fumento has documented in *The Myth of Heterosexual AIDS*, it's very difficult to transmit the AIDS virus through vaginal intercourse. This means that the chance of contracting the disease from one "unprotected" heterosexual encounter with a randomly selected partner (without anal intercourse) is quite small.

In a 1988 paper in *The Journal of the American Medical Association*, Drs. Norman Hearst and Stephen Hulley put the odds at 1 in 5 million—"about the same as the risk of being killed in a traffic accident while driving 10 miles on the way to that encounter." Of course, the odds of a brain/fried egg transformation are even lower.

—Jacob Sullum

BALANCE SHEET

Assets

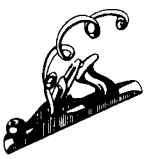
Trustbusters Revisited. The Supreme Court unanimously rebuffs postal unions and permits private delivery of overseas bulk mail. DHL already delivers "urgent" letters abroad; now other carriers can compete for less-urgent missives. Writes Chief Justice Rehnquist: "The postal monopoly...exists to ensure that postal services will be provided to the citizenry at large, and not to ensure employment for postal workers." Cliff Clavin had better look for a job.

Reach! The District of Columbia Council repeals its product-liability law against gun manufacturers. (See Balance Sheet, Mar.) Not because of any fondness for the Second Amendment, mind you: Congress threatened to cut off $100 million in subsidies for the District unless it voided the law.

Sounds Fishy. Environmentalists in the Pacific Northwest claim salmon's an endangered species. So why can you find it, reasonably priced, in most restaurants? Thanks to salmon farming, *Forbes* says, the North Atlantic catch has grown 22-fold the past decade. In the wild, only 3 of the 10,000 eggs each salmon lays becomes a mature fish; farm-bred salmon raise 4,500 fish per spawning. Because farmers can raise bigger, cheaper fish, the farms may save wild fish from extinction.

Good Credit. The Environmental Protection Agency proposes limits on the Superfund liability banks incur when they foreclose mortgages on contaminated property. (See Trends, Mar.) Lenders have at least six months to sell the land if they foreclose. And the *Wall Street Journal* reports that banks can provide financial advice to borrowers without incurring Superfund liability. Behind the changes of heart: congressional complaints.

Liabilities



Fools Rule. Davis-Bacon goes private. In the San Francisco area, communities require builders of large *private* projects to pay prevailing union wages. Surveys show union workers get twice the nonunion pay. U.C.-Berkeley economist Bill Dickens says nonunion workers aren't skilled enough to avoid on-the-job hazards. Cut the paternalism: Many of the workers are recent immigrants who'll never pay union dues.

Contributions Welcome. A sting operation in Arizona implicates seven key legislators, with more indictments on the way. On discovering he got a lower bribe than a colleague, one legislator declares, "I sold way too cheap." Since most of the bribes were campaign contributions, the always relevant ACLU says law enforcement officials violated campaign spending laws.

Sore Losers. Left-liberals will blame *anything*, even the Gulf War, on deregulation. Mark Shields and Tom Wicker, among others, say dependence on cheap foreign crude caused Desert Storm. On "The Capital Gang," Shields says he'd rather see gas lines than body bags. Wicker calls the 1980s "a foolish decade" that led to the country's "gas-guzzling addiction." Get a grip, guys. Richard Nixon and Jimmy Carter are history. Deal with it.

Book 'Em. The U.S. Sentencing Commission's long-awaited corporate sentencing guidelines, says former commission economist Mark Cohen, will increase fines "tenfold, twentyfold, thirtyfold: It's impossible to say precisely." (See "Junior Varsity Congress," Jul.) And the *Wall Street Journal* notes that "Prosecutors will be more likely to seek multimillion-dollar fines for crimes"—such as financial-reporting errors—"that go unprosecuted today." So much for a kinder, gentler America.

—Rick Henderson

Cleaning House

Last fall, California voters approved Prop. 140, an initiative limiting the number of terms a legislator can serve and restricting the amount of money that the legislature can spend on itself. The people who drafted the measure said it would clean up the do-nothing good-old-boy network that dominates the legislature. Most people expected the cleanup to take years. Legislators weren't expected to leave until they had served their legally permitted time in office. But the process may be much shorter than expected. With the notion of term limits catching on nationwide, the results are instructive.

Assembly Majority Floor Leader Tom Hanighan has announced his retirement after his current term. Assembly Speaker Pro Tem Mike Roos is reportedly considering retirement. Assembly Speaker Willie Brown estimates that 40 percent of the Assembly will retire when their terms are up.

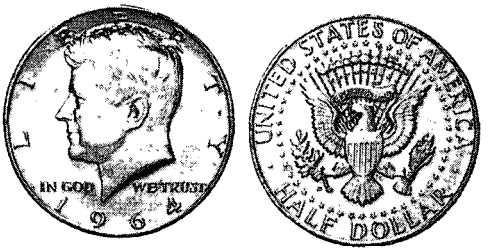
Assemblyman John Vasconcellos, a 24-year member best known for pushing the state's much-ridiculed commission on self-esteem, told the *Los Angeles Times* he may retire before his term expires: "I don't see any point in killing myself for people who apparently don't care if they have decent government or not." The depression has spread to legislative staffs. The *Wall Street Journal* reports that more than 700 of the legislature's 2,500 staffers are retiring.

Lobbyists grouse that they are losing their "investments"—longtime incumbents who have become attuned to their interests. Jack Carrigan, executive director of the California Commission on Aging, told the *Journal* that lobbyists will have to "educate" a new batch of politicians.

The establishment isn't taking all this lying down. Speaker Brown, Senate President Pro Tem David Roberti, Senate Minority Leader Kenneth Maddy, the California Teachers Association, and numerous legislators from both parties have filed suit to have the term-limitation initiative overturned.

—Charles Oliver

Silver Coin Breakthrough!



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So 1964 became the first and the last year of high purity Kennedy half dollars, or what numismatists call a "one year type coin." It thus joins such famous rarities issued one year only, as the 1909 "V.D.B." Lincoln cent, the 1883 "No Cents" Liberty nickel, the 1796 "Small Eagle" quarter, the 1907 "High-Relief" St Gaudens $20 . . . all treasured by collectors as one year type coins!

Huge Meltdown!

The initial mintage of the 1964 Kennedy half dollar was quite large, but in the silver boom of 1980, many of these high purity silver coins were melted. No one knows exactly how many 1964 Kennedy half dollars were melted down, but some experts estimate that millions were melted for their silver value.

As a result, the 1964 Kennedy half dollars are much scarcer than their mintages indicate.

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BRICKBATS

Chicago's aldermen unanimously passed a measure establishing December 4 as "Fred Hampton Day." Slain by Chicago police in 1969, Hampton was the Black Panther Party member who coined the phrase, "Off the pigs." But now there's a move afoot to rescind the measure. Seems that many of the aldermen thought they were honoring Chicago Bears defensive lineman Dan Hampton.

The Census Bureau has revealed its 1990 population count for Caswell, Maine. The feds say Caswell now has 2,743 residents—a 368-percent leap from 1980's count of 586. But city officials want to know where all these people are. They say the city has *lost* residents because of a lack of jobs. "We have a little over 400 people who live here now," says Town Clerk Doris St. Pierre. You know what happened: The Census Bureau let the guys who found 3 million homeless people count the residents of Caswell.

Hitler-loved-his-dog department. From 1975 to 1978, Pol Pot and the Khmer Rouge killed an estimated 1 million of their fellow Cambodians. Now, even as he fights to reestablish his rule, Pot has ordered his men to build sanctuaries to protect animals, and he has directed his countrymen not to kill birds or animals for any reason. To make certain that his edicts are obeyed, Pot has placed one of his most trusted henchmen, Ta Mok—called by Cambodians "the butcher" because of his cruelty—in charge of his environmental policies. He can't fool me. This is all just a ploy to meet that bodacious Rue McClanahan.

While some of us worried about American troops in the Middle East, environmentalists had other concerns. "Tanks could crunch grass and other vegetation, knock down dunes and kick up sandstorms," one told the *Boston Globe*. "Plants and animals there are already living on the edge, and this insult could be enough to push them over." God forbid we should insult sand dunes.

'After a while it grows on you...'

When asked why he didn't write about the National Acid Rain Precipitation Assessment Project report, *Washington Post* environmental reporter Michael Weisskopf said he was on vacation. He further claimed that the report "had little news value." A 10-year government study that found the damage from acid rain is neglible has little news value, but if Jeremy Rifkin belches, it's a front-page story.

Plainclothes police officers in Miramar, Florida, arrested a grandmother of 10 for selling a *Playboy* magazine to two 16-year-olds. Elaine Ott, a convenience store clerk, was handcuffed, taken to jail, strip searched, and placed overnight in a cell with other felons. After posting bail for his wife, Mr. Ott opened the convenience store and was robbed at gunpoint.

And in Palm Beach, Florida, a crime wave has broken out at the intersection of Military Trail and Forest Hill Boulevard. Gloria Gonzalez decided to wear a thong bikini while operating her hot dog stand, and her sales skyrocketed. So Lisa Wyrick and Martha Morin, who run a frankfurter stand across the street from Gloria, decided that they too should wear thongs. Their sales improved as well. But the matrons of Palm Beach are trying to close down the vendors. They want them prosecuted for public indecency. Said one woman, "Children should not be exposed to this. If other girls see them doing it, you'll have them on every corner." So what's the problem?

In Illinois, the ACLU opposes a proposal to install cameras in unmanned toll booths, calling it "creeping fascism." As every student of history knows, the Nazi reign of terror began with the infamous "Night of the Broken Toll Booth Cameras."

—Charles Oliver

School Never Taught You How To Make Money!

*"Our schooling is the underlying reason so few people really know **how to make money**."* — Mark Hamilton, President of I & O Publishing Company.

Education promotes specialization: In college, for example, students must choose a specialized field of knowledge or "major" in which to study: chemistry, political science, accounting. But they never learn ***how to make money***.

Instead, the course of study narrows into smaller and smaller specialized units of knowledge making crossover and integration with other fields of knowledge impossible. This mass specialization forever locks all students and alumni — high school to college — into specialized, fixed-income jobs with no way out. Specialization forever prevents everyone from knowing ***how to make money***.

Whether a blue-collar worker or a white-collar worker, **Iron-Grip Control** teaches you what school never did — how to make money.

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THE SECRET TO MONEY SUCCESS

To understand money success one must look beneath the complex structures of today's big business, beneath the multi-billion-dollar corporations. One must look at the smallest and simplest money-producing unit — the self-owned, one-man, one-cart business. From that entrepreneurial atom emerges the understanding, the undisputable core of anyone producing money — from a candy vendor on the streets to the president of corporate America fifty stories above. The small one-man business requires deceivingly complex integrations. Without integrating every aspect of making money with his self-owned, one-cart business, the street vendor would not last long.

To make money, he must integrate everything — making or buying the candy, maintaining the upkeep and cleanliness of his cart, tracking his inventory so he never runs out of supplies, advertising his candies to passersby, scouting the best locations and times of day for business, studying his accounting so spending does not exceed intake. However, a specialized person, an accountant for example, no matter how expert, could not make money with a candy vending business based on expert accounting alone. Indeed, he would quickly fail. And an expert candy maker, no matter how tasty his candies, would not make a sale with a dirty, broken-down cart. A charismatic advertiser would quickly lose his business if he were unable to track his inventory and keep supplies in stock. Specialization does not make money.

In the one-cart vending business the specialized person would quickly realize his dilemma and clearly understand what is needed to be done. But what happens to the adult today who tries to tackle the dynamic world of complex business equipped with only a specialized education, trained to do only one of the many needed integrations to make money? Within the complexities of making big money, failure is camouflaged by mediocrity — the multitudes who "get by" — making it impossible to pin-point the problem, let alone find the solution to making big money. The adult will merely sense his or her limited control over personal growth and earnings. A real solution to making big money is impossible to uncover by those in specialized-thinking modes — by those unknowledgeable of **Iron-Grip Control**. For, the specialized career person becomes locked into a set routine with a fixed-income paycheck, totally ***dis***integrated with controlling the money. Only by keeping sight on all integrations of building wealth can one control wealth-building dynamics and **build wealth without limits.** Only then does one hold the "magical combination" that makes a few individuals go down in history as money/power giants. Milton Hershey of Hershey's Chocolates started his billion-dollar empire from the streets as a one-man, one-cart business. He understood and controlled every aspect of building wealth. ...He controlled the money.

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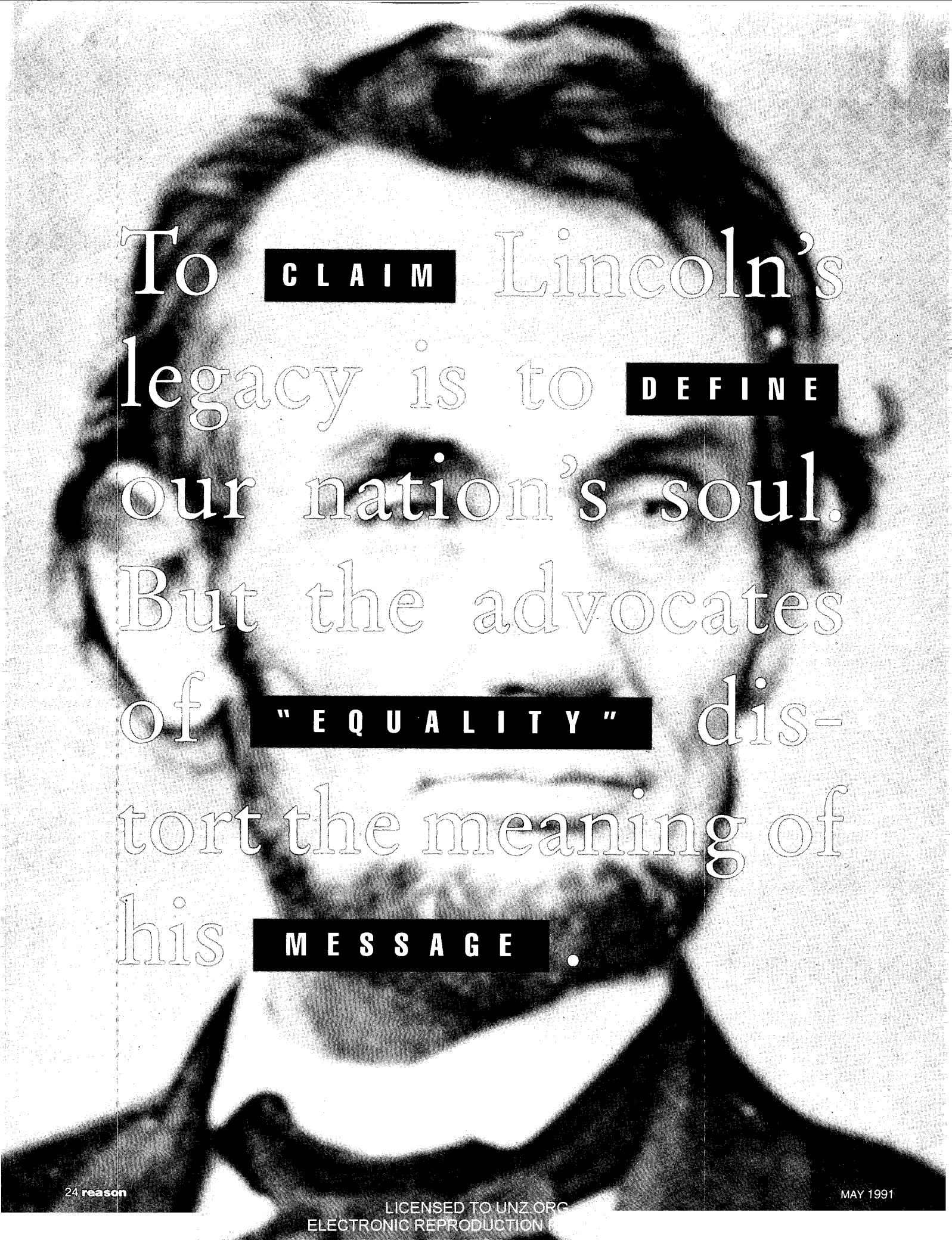

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THE ASTONISHING SUCCESS OF KEN BURNS'S CIVIL War documentary on PBS last fall has touched off a full-scale fad among the public and has revived the quarrels about the lasting significance of the Civil War. It seems the Civil War won't go quietly into the history books. We keep coming back to the Civil War because it is the fundamental conflict about what America means, and what America's principles are. The Civil War has serious lessons for contemporary American politics and may shape the debates of the 1990s over equality, civil rights, and federalism.

a multivolume narrative of the Civil War who serves as the principal commentator in the Burns film, frames the task rightly:

"Any understanding of this nation has to be based, and I mean really based, on an understanding of the Civil War. I believe that firmly. It defined us....The Civil War defined us as what we are and it opened us to what we became, good and bad things. And it is very necessary, if you're going to understand the American character in the 20th century, to learn about this enormous catastrophe of the 19th century. It was the crossroads of our being, and it was a hell of a crossroads."

THE CHILDREN OF ABRAHAM

BY STEVEN HAYWARD

Historian Dwight Lowell Dumond called the Civil War "the most interesting war in all history." There have been over 90,000 books and articles published on Abraham Lincoln and the Civil War, including even the unlikely *Lincoln and the Coming of the Caterpillar Tractor*. Each generation seems to go through its own Civil War fad, often spurred by a new epic treatment of the subject, such as Carl Sandburg's several volumes back in the 1920s. The Burns film surely ranks as one of the most ambitious and stunning treatments ever, capturing the Homeric and paradoxical character of the Civil War. The Civil War can be considered the first "total war"—a preview of the mass slaughter of World War I. Even so, Winston Churchill's judgment is equally true that the American Civil War was the last war fought between gentlemen.

But the enduring importance of the Civil War lies in its political dimension, in its legacy to the subsequent political thought of America. In his afterword to the film, Burns says, "Our consideration of the Civil War *now* raises all of the questions that it did *then*." This implies that some of the questions were not settled, or at least have become unsettled. Early in the first episode, historian Shelby Foote, the author of

EVERYONE AGREES WITH Foote that the Civil War defined America, but they disagree about what that definition means and whether it is for good or ill. Depending on whom we consult, the Civil War was either a noble struggle to complete the unfinished work of the Founding Fathers and to enhance equality as the central idea of American politics or a desperate struggle to check the expansion and centralization of power in the federal government. Hence the controversy over the central figure of the Civil War: Abraham Lincoln.

The right is especially divided over Lincoln. His critics say that he was America's Cromwell, that Lincoln's insistence on equality was a cornerstone for today's radical egalitarianism, and that the Civil War was a crucial step on the road to today's federal leviathan. Lincoln's defenders say he resolved the inherent contradiction of the Founding—slavery—through a principled understanding of free government that should be rearticulated today.

The chief issue raised by the Burns film is equality. "Every nation has a central idea from which all its minor thoughts radiate," Lincoln said. At Gettysburg, Lincoln concisely sum-

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marized the central idea of America as "the proposition" that "all men are created equal." Lincoln viewed the Declaration of Independence and the Constitution as harmonious and complementary political charters. The Declaration abstractly set out the just ends of government—to secure the natural rights of life, liberty, and the pursuit of happiness—and the Constitution set out the means to these ends. The rule of law, Lincoln thought, could not make sense without reference to these ends, which are based, remember, on the "self-evident truths" derived from the laws of nature. For Lincoln, as for the Founders, equality and liberty were *complementary* doctrines. Our liberties were based on our equal right not to be governed without our consent.

THE BURNS FILM REVEALS the problematic character of equality in the American political tradition, especially as it relates to the Civil War. At one point, for example, Burns says that Lincoln at Gettysburg "probably said more than he knew," suggesting that Lincoln foreshadowed an understanding of the meaning of the war that he didn't comprehend. Burns and one of his commentators, historian Barbara Fields, supply this understanding in the final episode of the film. Burns says that America is "constantly trying to enlarge the definition and deepen the meaning of 'all men are created equal' " and that "we have not fulfilled the promises that we made at the end of the war." Burns endorses with enthusiasm Fields's "struggle" over the meaning of the war in her commentary, in which she says that the war "established a standard that will not mean anything until we have finished the work....If some citizens live in houses and others live on the street, the Civil War is still going on. It is still to be fought, and...it can still be lost."

It is deliciously ironic that Fields would try to appropriate Lincoln and the Civil War for today's homeless, given Lincoln's injunction "let not him who is houseless pull down the house of another." This is, of course, precisely what today's egalitarians wish to do. Yet Burns and Fields's comments make explicit how the meaning of equality has changed. Fields presumes the legitimacy of contemporary radical egalitarianism—the leveling kind that requires massive government power. Clearly this kind of equality opposes liberty, which is why libertarians have rightly attacked equality as it is manifested today. What is less clear is how much of the blame for modern egalitarianism should be assigned to Lincoln and the Civil War.

When the question is framed this way, one soon discovers that arguing about Lincoln and the Civil War entails arguing about the meaning of the American Founding. Lincoln followed the Founders in believing that equality is the basis of individual natural rights. James Madison, in the famous *Federalist 10*, wrote that the first duty of a government founded on equal rights and individual liberty is to safeguard the *unequal results* such a regime will inevitably produce. Humans are not equal in natural attributes such as strength and intelligence, but they are equal in the decisive political respect that they cannot be *governed* without their consent and that their rights are inviolable by government, no matter how large the majority that wishes to violate their rights. This distinction, though subtle, was clear to the Founders and to Lincoln, but it is largely lost today.

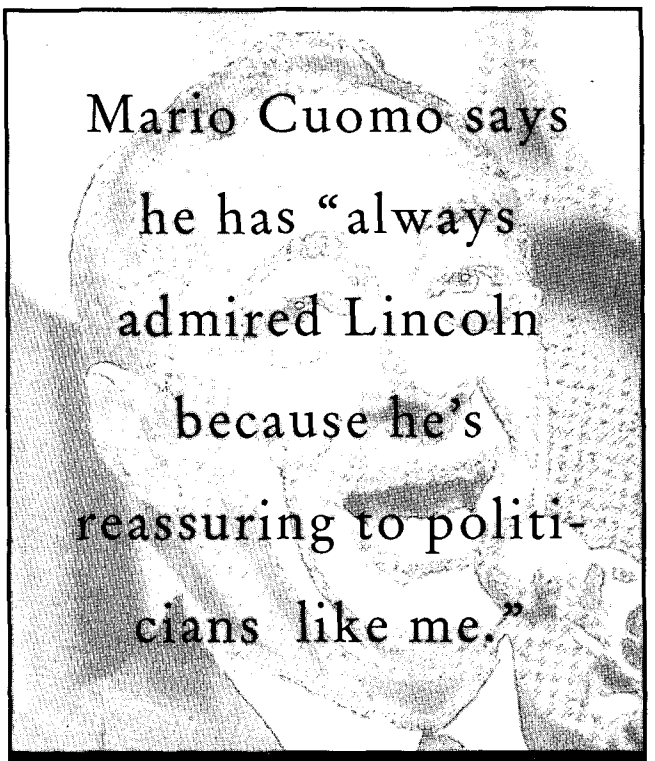
Lincoln explicitly rejected the idea that the standard of equality is meaningless unless perfectly and comprehensively achieved. Lincoln knew what today's egalitarians refuse to see, that the drive to have equality comprehensively and "perfectly attained" is a formula for tyranny.

In criticizing the "obvious violence" done to the "plain unmistakable language" of the Declaration of Independence by the Supreme Court's *Dred Scott* decision in 1857 (which held that the black man had no rights that the white man was bound to respect), Lincoln said:

"I think the authors of the notable instrument intended to include *all* men, but they did not intend to declare men equal *in all respects*. This did not mean to say that all were equal in color, size, intellect, moral developments, or social capacity. They defined with tolerable distinctness, in what respects they did consider all men created equal—equal in 'certain inalienable rights, among which are life, liberty, and the pursuit of happiness'....They did not mean to assert the obvious untruth that all were then actually enjoying that equality, nor yet, that they were about to confer it immediately upon them. In fact they had no power to confer such a boon. They meant simply to declare the *right*, so that the *enforcement* of it might follow as fast as circumstances should permit. They meant to set up a standard maxim for free society, which should be familiar to all, and revered by all; constantly looked to, constantly labored for, and even though never perfectly attained, constantly approximated, and thereby constantly spreading and deepening its influence."

What is important to note about the Burns and Fields view of equality is not just that it is historically and philosophically wrong, but that it is based on a wholly different premise than the view of Lincoln and the Founders. In their efforts to "enlarge the definition" of equality, Burns and Fields are essentially saying that we are duty bound to understand equality (and other political principles) according to the sentiment of the moment. This sort of historicism (or Progress with a capital *P*), which has become so commonplace as to be beyond controversy among our intellectual elites, holds that the words in our nation's political charters are without any fixed meaning and are merely empty vessels into which we are free to pour our own meaning. Call it the deconstructionist view of equality and the Civil War.

IT WOULD BE MISTAKEN to attribute the radicalization of equality in America to Lincoln, or even to Karl Marx. The Progressive movement was the real culprit. Within Progressive thought, "progress" replaces nature as the ground of politics. Hence, Progressivism rejects natural rights. For example, Richard Hoftstadter wrote in *The American Political Tradition* that "no man who is as well abreast of modern science



Lincoln's injunction that "property is desirable" contrasts sharply with Cuomo's indignation about wealth—and his redistributionist ethic.

as the Fathers were of eighteenth century science believes any longer in unchanging human nature. Modern humanistic thinkers who seek for a means by which society may transcend eternal conflict and rigid adherence to property rights as its integrating principles can expect no answer in the philosophy of balanced government as it was set down by the Constitution-makers of 1787." And Carl Becker, in his otherwise fine 1922 book *The Declaration of Independence*, wrote that "To ask whether the natural rights philosophy of the Declaration of Independence is true or false is essentially a meaningless question."

Progressive thought begins with the premise that the revolution in natural science makes necessary a revolution in political science as well. Certainly Woodrow Wilson thought so. Wilson wrote that American government "was constructed upon the Whig theory of political dynamics, which was a sort of unconscious copy of the Newtonian theory of the universe." But Darwin had eclipsed Newton; thus, Wilson thought, "Living political constitutions must be Darwinian in structure and in practice." Nature cannot tell us anything definite about the rights of man or the limits of government because nature is changeable.

Indeed, Progressives such as Herbert Croly saw the idea of individual rights as an irrational impediment to progress, and Woodrow Wilson sought to overcome the separation of powers in the American scheme of government for the same reason. Modern government, Progressives thought, requires visionary leaders, expert elites, and enhanced (and in principle unlimited) government power to direct and promote the grand unfolding of human progress.

One of the less understood implications of the Progressive view is that equality is really a subsidiary principle. If some people aren't "equal" to their fellow citizens, it isn't because their rights have been violated. Rather, it is because progress hasn't caught up with them yet. Equality actually has a very small place in most Progressive tracts. It is important to note, for instance, that the rhetoric employed by the "multiculturalists" in academia today emphasizes not equality but "empowerment" for the "disenfranchised." At bottom, the "empowerment" theme isn't based on an argument for equality and genuine diversity (despite the many rhetorical bows to "diversity"), but on the view that white, Eurocentric "culture" is illegitimate and must be overthrown. In the end, the "empowerment" rhetoric reveals itself to be a manifestation of the Nietzschean will to power.

When one sees that the explicit goal of Progressivism was to refound the nation on new principles, substituting progress for nature and rejecting the Founders' understanding of equality and natural rights, it helps put the contemporary Civil War dispute, and the revisionism that preceded it, in a new light. "The endless cycles of wheel-spinning revisionism," as historian Lee Benson calls it, took two distinctive forms.

First, historians began to deny that the Civil War was an "irrepressible conflict," the phrase William Seward made famous before the war. Rather, it was bumbling political leadership, or Lincoln's ruthless ambition, that led to a "needless war." The second and sometimes subsidiary strain was that the war's real cause wasn't political but economic. The cause wasn't slavery or constitutional principle, but rather Northern industrial capitalism. (Yup, the Marxists are grinning in the background.) A closely related argument held that slavery had already reached its natural limits, was becoming less productive and economical, and therefore was probably on its way out. Remember, the original goal of Lincoln and the new Republican Party was to place slavery "in the course of ultimate

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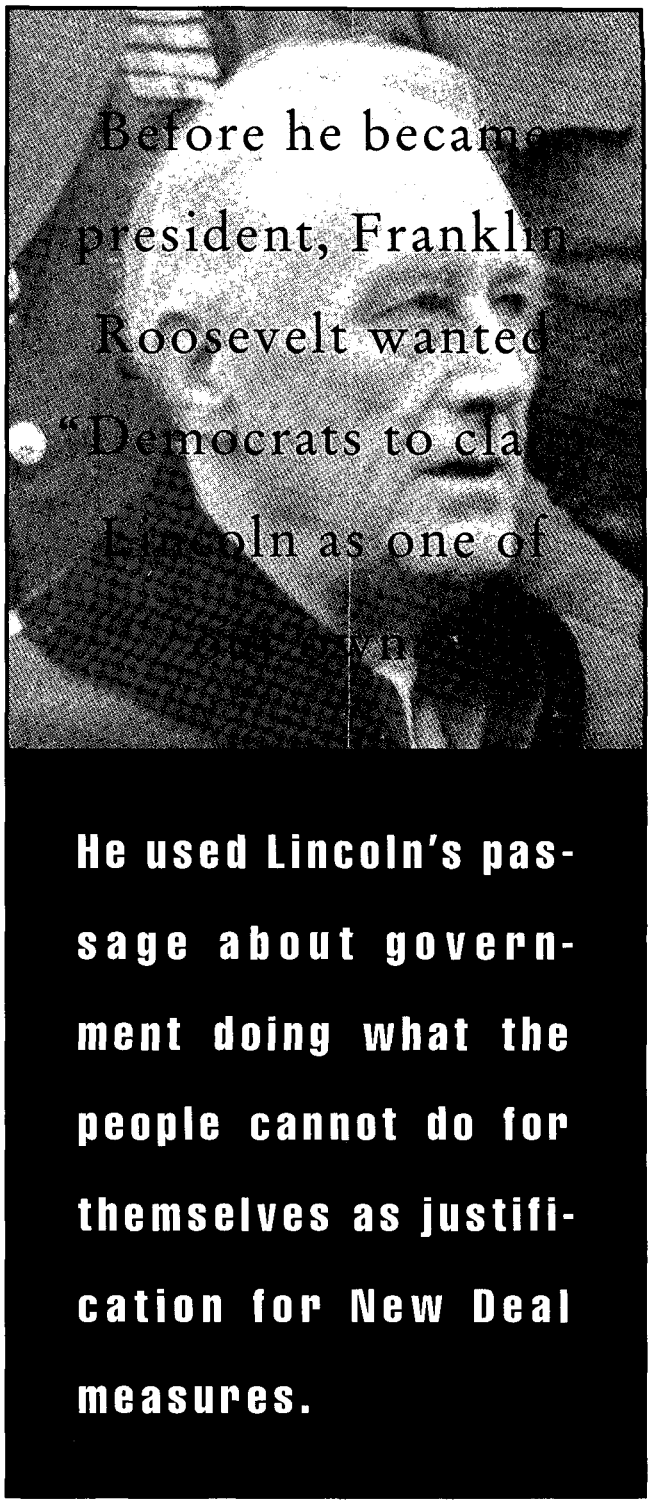
extinction." The revisionists said it was on this course anyway; *therefore, it was a needless war begun for bad motives.*

MUCH OF THE REVISIONIST scholarship reflected the new Progressive view that since nature is changeable, wars are an unnecessary phenomenon. James G. Randall, for instance, in his 1945 book *Lincoln the President* wrote that "one of the most colossal misconceptions is the theory that fundamental motives produce war." But revisionism also well served the partisan motives of the Progressive movement. Just as the Progressives, beginning with Charles Beard, challenged the disinterestedness of the Framers of the Constitution to buttress the Progressive view that American government needed to be refounded on new principles, so too they needed to overcome Lincoln's interpretation of the Civil War and his position about the eternal sufficiency of the American Founding (even as they admired Lincoln as a strong, activist president). And revisionism as a whole tended to support the Southern line that the Civil War had been "a war of Northern aggression."

The early reaction to the revisionists was based almost wholly on categorical moral grounds. In 1945 Arthur Schlesinger, Jr., attributed the "vogue of revisionism" to "the modern tendency to seek in optimistic sentimentalism an escape from the severe demands of moral decision...it is the offspring of our modern sentimentalism." Taking issue directly with Randall and another leading revisionist, Avery Craven, Schlesinger wrote that "To reject the moral actuality of the Civil War is to foreclose the possibility of an adequate account of its causes." The Dutch historian Pieter Geyl wrote in 1951 that the "vision of a 'blundering generation' does not do justice to the past. That vision belittles what had real greatness." But there wasn't much new historical investigation and evidence offered by the counter-revisionists. Surveying the scene of revision and counter-revision in 1959, Kenneth Stampp wrote that it can be "discouraging...that twentieth-century historians often merely go back to interpretations advanced by partisans while the war was still in progress."

The subsequent generation of counter-revisionist scholarship delivered the hard goods. Harry Jaffa's *Crisis of the House Divided* and Don Fehrenbacher's *Prelude to Greatness: Lincoln in the 1850s* did much to sort out the mangled political interpretations revisionists held. Jaffa and Fehrenbacher defended Lincoln from the charge that he was purely an opportunist and argued that the legal and practical tendencies toward the continued expansion of slavery were genuine. A major breakthrough came in 1974, with Robert William Fogel and Stanley Engerman's *Time on the Cross: The Economics of American Negro Slavery*, which painstakingly analyzed economic and demographic data about the slave economy of the South. Their findings scotched the revisionist line that slavery was a less efficient mode of production that would eventually resolve itself of its own accord.

Fogel has revisited and expanded the analysis in his 1989 book *Without Consent or Contract: The Rise and Fall of American Slavery*. Fogel convincingly demonstrates the economic viability of the slave economy (slave farms often outproduced Northern farms), along with its gradual spread to the West. Fogel's evidence shows that the political dispute over the expansion of slavery to the Western territories wasn't in the least artificial or contrived. The "new synthesis of scholarship," Fogel concludes, is that "if the foes of slavery had waited for economic forces to do their work for them, America might still be a slave society, and democracy, as we know it, might have


Before he became president, Franklin Roosevelt wanted Democrats to cla
Lincoln as one of
He used Lincoln's passage about government doing what the people cannot do for themselves as justification for New Deal measures.

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been a subject only for the history books." Other recent books that reinforce the older view of the political causes of the Civil War, and its inevitability, include Kenneth Stampp's *America in 1857: A Nation on the Brink* and William Freehling's *The Road to Disunion: Secessionists at Bay 1776-1854*.

EVEN IF LINCOLN ISN'T held responsible for the radicalization of equality, and even if recent scholarship tends to buttress the case that the Civil War was a fundamental and unavoidable conflict, it doesn't immediately follow that Lincoln and the Civil War should be celebrated by libertarians. There are many other aspects of the problem, such as states' rights and the centralization of government, that must be considered. Notwithstanding Lincoln's defenders on the right, it is easily understandable why libertarians and conservatives would be uncomfortable with, if not hostile to, Lincoln.

The broad case against Lincoln is easily made. As Llewellyn Rockwell put it recently, "he fastened the federal leviathan on the body of the old republic." Lincoln and the Civil War led to the aggrandizement of executive power and the centralization of government. The Civil War provided the precursor to the national income tax and was the precedent for the New Deal. Clinton Rossiter, in his famous textbook on the presidency, argues that Lincoln "pushed the powers of the Presidency to a new plateau high above any conception of executive authority hitherto imagined in this country." In fact, Don Fehrenbacher adds, "serious scholars have applied the word 'dictator' more often to Lincoln than any other president." In *Patriotic Gore*, Edmund Wilson compared Lincoln to Lenin. Some now compare Mikhail Gorbachev's crackdown on the secessionist-minded Baltic republics to Lincoln's war against secession—never mind the crucial distinction that the Baltic states never consented to join the Soviet Union in the first place.

More fundamental is the criticism of Wilmoore Kendall and George Carey, who argued in their persuasive book *The Basic Symbols of the American Political Tradition* that Lincoln's emphasis on equality had "derailed" our authentic political heritage, which Kendall thought was a compact-oriented majoritarianism. Not to be outdone, M.E. Bradford, in his *A Better Guide Than Reason*, even suggests Hitler ("a firm higher law man") as a "useful analogue" to Lincoln. (On the other hand, we should note that Hitler said that the victory of the Union was the great tragedy of American history.)

As if the direct attacks on Lincoln weren't enough, it is equally disconcerting to note some of his admirers. Herbert Croly heaps lavish praise on Lincoln in his notorious blueprint for the Progressive movement, *The Promise of American Life*. Croly wrote that "the life of no other American has revealed with anything like the same completeness the peculiar moral promise of genuine democracy."

On the contemporary scene, the book that arrests one's attention is a collection titled *Lincoln on Democracy*, edited by...*Mario Cuomo*! Conservative defenders of Lincoln must surely cringe when Cuomo writes, "I've always admired Lincoln because he's reassuring *to politicians like me*." (Emphasis added.) Cuomo has even visited and delivered a speech at Gettysburg, describing Lincoln's presidency as a crucial turning point in the evolution of democracy. He also cited Lincoln's remark that government exists to do what people cannot do for themselves or cannot do as well themselves as justification for Cuomo's vision of big government.

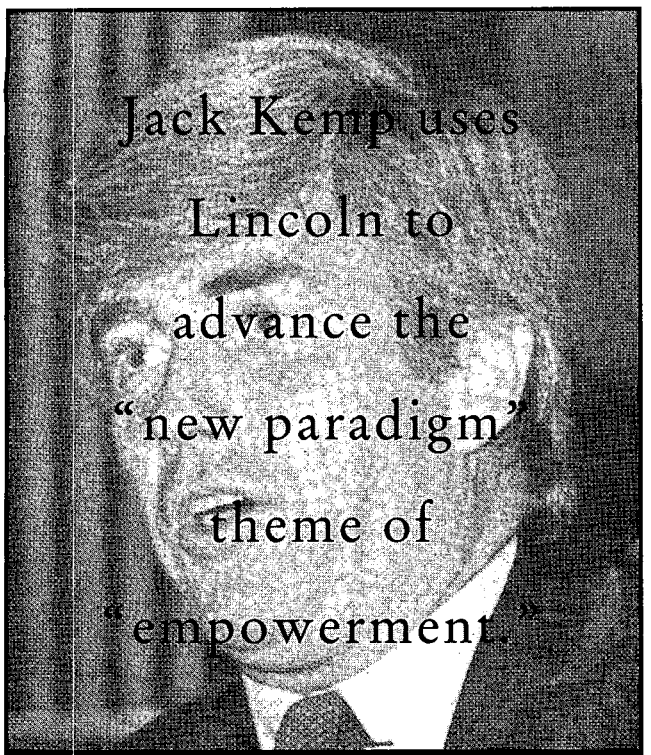
The significance of the Cuomo project is this: Having captured the issue of equality from the Republican Party through the electoral success of the New Deal and the intellectual success of Progressivism, the Democratic party is now trying to capture Lincoln away from the Republicans as well. This comes at a propitious time for Democrats, for Republicans seem poised at last to mount a limited challenge to Democratic vulnerability over the meaning of equality, particularly on the issue of affirmative action and civil rights.

CUOMO'S RHETORIC ON Lincoln is reminiscent of the politician Cuomo most obviously wishes to emulate—not Lincoln, but Franklin Roosevelt. Before he became president, FDR said, "I think it is time for us Democrats to claim Lincoln as one of our own." Later, FDR stepped up his attack. "Does anyone maintain that the Republican party from 1868 to 1938 (with the possible exception of a few years under Theodore Roosevelt) was the party of Abraham Lincoln?" Like Cuomo, FDR cited Lincoln's passage about government doing what the people cannot do for themselves as justification for New Deal measures. Despite Republican protests, FDR was so successful that by the 1940 campaign Republican nominee Wendell Willkie pleaded for an armistice in the partisan fight over Lincoln's legacy: "It will do us no good to draw these historical illusions [sic]."

So far today the only Republican to pick up Cuomo's thrown gauntlet is HUD Secretary Jack Kemp, but even he hasn't built his case on a principled understanding of equality, without which any Republican rhetoric against affirmative action will be vulnerable to charges that it is merely the low politics of racial resentment. Kemp instead adapts Lincoln for the purpose of advancing the "new paradigm" theme of "empowerment"—the same term used by the radical multiculturalists on the campuses.

It is astonishing that no Republican has used Lincoln's many statements that clearly run against the redistributionist ethic at the heart of modern liberalism. In his letter to the Democratic Republican Workingmen's Association of New York, for example, Lincoln wrote, in words that could instantly correct Cuomo's moral indignation about wealth, that "Property is the fruit of labor—property is desirable—it is a positive good in the world. That some should be rich, shows that others may become rich, and hence is just encouragement to industry and enterprise. Let not him who is houseless pull down the house of another; but let him labor diligently and build one for himself, thus by example assuring that his own shall be safe from violence when built."

One of the small ironies of the Cuomo collection is that it includes Lincoln's letter to his stepbrother John D. Johnston,



But he hasn't based his defense of Lincoln on a principled understanding of equality—essential for any effective assault on affirmative action.

in which Lincoln refused Johnston's request for charity. Lincoln instead offered to match dollar for dollar for one year what Johnston earned by working. But Johnston didn't wish to work. Clearly, Lincoln recognized that unlimited charity will corrupt the character of the recipient, and he would likely be aghast at today's welfare state, which offers a legal "entitlement" to charity.

For the most part, people on the right have abandoned Lincoln to the left. But in doing so we have given up solid ground on which to base a principled argument from the American tradition about the meaning and proper application of equality and, by extension, for limiting the expansion of government power. This requires making a case for Lincoln's understanding of politics. The case for Lincoln requires not only recovering the natural-rights understanding of equality, but also understanding how these principles relate to the questions of states' rights, majority rule, and the rule of law.

It is important to understand why Lincoln thought the argument for secession was an "ingenious sophism" that threatened the very basis of free government. Some libertarians today defend a right of secession in principle as a means of checking the power of centralized government. For instance, Nobel laureate James Buchanan delivered a paper at last year's Mont Pelerin Society meeting arguing that a right of secession is essential in any scheme of European union. Buchanan lamented that the Civil War foreclosed this possibility in America.

But while the right to break a compact might help fight one evil—centralized government—it opens the door to another evil—majoritarianism. Secession is a two-way street. If it is right that the people of South Carolina may secede without the consent of the other states, then it is equally right for a majority of other states to "secede from" (in effect, to expel) South Carolina without the consent of South Carolina. Indeed, many Northern abolitionists in the 1840s and 1850s wanted the North to expel the South from the Union on the grounds that the slave states violated the constitutional mandate that each state have a republican form of government. What would defenders of secession say if, today, even a supermajority of states wanted to secede from California, on the grounds that California had become disproportionately powerful within the federal government (52 members of the House, sucking up more federal money than the state puts in, etc.)?

Lincoln's view, in short, can be taken as an adaptation of Jefferson's remark that for majorities to be rightful, they must be reasonable. In other words, there must be an antecedent purpose to the legislative authority of the people, and that purpose can only be understood within the context of the doctrines of equality and natural rights. An unqualified majoritarianism will lead to the erosion of liberty. The question of states' rights cannot be disconnected form the substantive question of what the states intend to use their authority for.

THIS IS WHERE SLAVERY must be confronted squarely. It was acknowledged at the time of the Founding, even by nearly all Southerners, that slavery in a regime of liberty was a jarring anomaly. When the Missouri question of 1820 first revealed the future conflict in its full severity, Thomas Jefferson—a slave owner—wrote: "This momentous question, like a firebell in the night, awakened and filled me with terror. I considered it at once the death knell of the Union." When the next step came in 1832—South Carolina's nullification doctrine—James Madison wrote in dismay that the country was losing sight of the Founders' understanding of the principles of the nation's fundamental compact and denied that his

and Jefferson's Virginia and Kentucky Resolutions of 1798 were a valid precedent for asserting that a *single* state could nullify the actions of the national government.

Slavery having been swept under the rug in the interest of compromise during the writing of the Constitution, it was becoming clear that it would be more difficult to eradicate than the Founders had hoped. Indeed, Lincoln understood that under the Constitution it was difficult to see "how [slavery] could be at once eradicated, without producing a greater evil, even to the cause of human liberty itself." Far from being contemptuous of states' rights, Lincoln frequently acknowledged that because slave property was protected by the Constitution, the federal government couldn't rightly touch it in the states where it existed. He parted company with the abolitionists and argued that Congress was obligated to pass, and the states were obligated to enforce, a fugitive slave law.

The postwar Southern line that the Civil War was about states' rights cannot really square with Lincoln's stated views about the relation of the federal government to the states. Lincoln's position was that slavery could only be lawfully abolished in a gradual way, by prohibiting its spread to the territories and new states (as had been done in the Ohio valley by the Northwest Ordinance of 1787—passed under the old Articles of Confederation), and by convincing the South to accept a program of *compensated* emancipation over several decades. Lincoln had no illusions that freed slaves would be easily assimilated into American society, which is why he favored a program of repatriation of freed slaves to Central America or Africa.

The most significant factor in the equation wasn't states' rights or nullification or the doctrine of concurrent majorities. Rather, it was the gradual abandonment of the view that slavery was a great evil that should somehow be ended someday. Southern public opinion had hardened to the point where Lincoln's moderate policy was impossible. In Lincoln's view, the real cause of the Civil War was the spread of the opinion that slavery was a positive good and that there should be no legal limit to its extension. The "peculiar institution" had shed its embarrassing peculiarity.

Recall Alexander Stephens's "cornerstone" speech, which stated that the Southern constitution would be based on the "great truth" of inequality and the rightness of slavery. Stephens's speech was merely the culmination of the writings of proslavery apologists such as George Fitzhugh and John C. Calhoun, who argued that the Declaration's phrase "all men are created equal" really meant "all white men are created equal." Lincoln replied that if such was the case, then each of us would be rightly enslaved by the first person we met with fairer skin. (Or if intelligence were the operative principle, then by the first person we met who was smarter.) At the same time the South came to this view, many Northern leaders, such as Lincoln's great rival Stephen Douglas, became neutral about slavery and its further extension. Douglas was the perfect majoritarian, advancing "popular sovereignty" as the highest principle of democracy and caring not whether the people voted slavery "up or down."

It is in the light of these changes in public opinion that the meaning of Lincoln's famous phrase about "a new birth of freedom" becomes more clear. A people that reinterprets its fundamental charter of freedom to justify an institution (slavery) so obviously inimical to those principles cannot do so without placing at risk all of their other rights. The American Founding was preeminently a theoretical undertaking. Controverting the fundamental principles of liberty to justify slavery undermined the basis of all rights. Thus the Civil War wasn't just about whether the Union would be preserved or slavery abolished, but whether the people would recall and cherish the great principles of the nation's Founding, without which the cause of free government is lost.

Today in many respects public opinion about the principles of free government is in a worse state than it was before the Civil War. The mainstream of political science today teaches that the idea of natural rights is nonsensical. Today's heresy about equality is that rights belong to groups, not to individuals. Hence the hateful doctrine has crept into Supreme Court decisions that policy must be made to serve not individuals but members of "discrete and insular minorities," as the Court first put it in the *Carolene Products* case in 1938. This equality is incompatible with liberty.

The modern principles of administration by bureaucracy have trampled on the older principles of the separation of powers. Modern bureaucratic government increasingly resembles slavery in that it governs us without our consent. Bureaucracies are designed to be largely sealed off from public opinion and are only remotely accountable to the ordinary political process. Elections don't change things very much. Bureaucratic policy and personnel carry on even if a strident ex-actor is elected president by a landslide.

Reversing this trend may require a struggle greater than the Civil War—not in terms of blood and bullets, but in terms of the change in public opinion that is necessary to bring reform about. Politics in a democracy necessarily involves teaching the people. That is why Jefferson and Madison labored so seriously over the civic education curriculum when they founded the University of Virginia. Neither of the major political parties appears willing, let alone able, to make the principled case about equality and limited government.

Reforming our government along the lines designed by the Founders may require a division of the house no less severe than that caused by Lincoln's "house divided" speech. Rather than vilifying Lincoln as the author of centralized government (surely the blame for the centralizing effects of the Civil War must be shared equally by the South), we should study Lincoln as the model of how fundemental political realignments are made by reclaiming and rearticulating the principles of the Founding. For in one sense the poets and sentimentalists are right: The American Revolution and the Civil War are never over. Every time the people forget what they mean, they have to be fought again. ◼

Contributing Editor Steven Hayward is director of the Claremont Institute's Golden State Project.

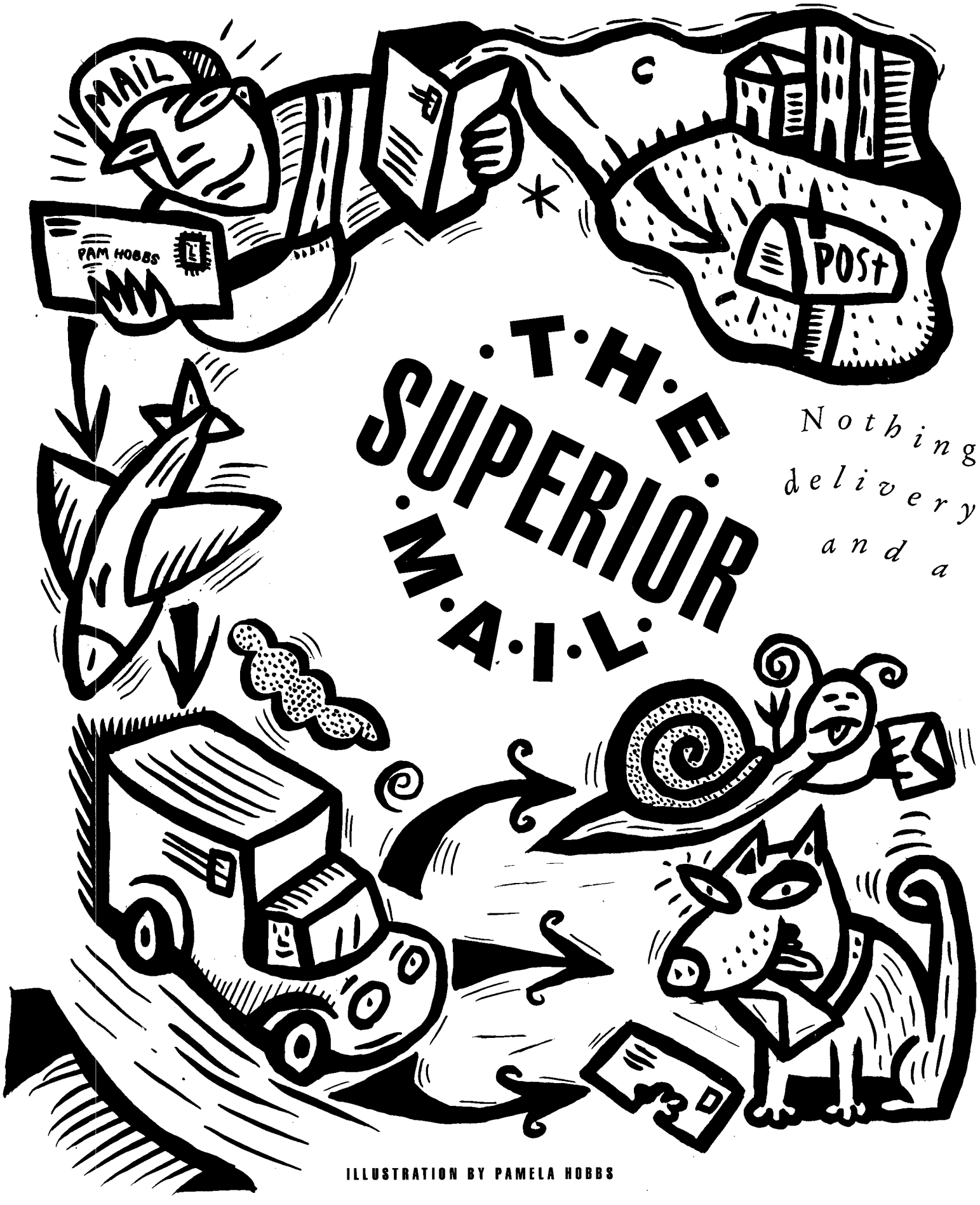


ILLUSTRATION BY PAMELA HOBBS

The hairline cracks long evident at the edges of the U.S. postal monopoly have been opened wide by February's seismic postal rate hike. Within the next few years, sizable chunks of postal business could start breaking off into the private sector.

Stephen L. Thompson, publisher of the Dallas-based newsletter *Optimum Delivery*, puts it bluntly: "Privatization of this industry is already starting to take place around them, without them, in spite of them."

The "them," of course, is the $48-billion U.S. Postal Service. Up to now, that Brobdingnagian institution has easily fended off those would-be usurpers so bold, or so foolish, as to take on a federally protected monopoly that employs some 760,000 workers liberally sprinkled throughout every congressional district. So scrupulously does the Postal Service protect its turf that it once sued a Cub Scout pack for delivering Christmas cards.

Yet this time around, the Postal Service is facing competition from big boys, fellow giants of the corporate kind. Some of the biggest names in publishing and catalogue mailing—Time Warner Inc., the Times Mirror Co., the Hearst Corp., J.C. Penney—have signed on with two companies leading an industry known as alternate delivery. Taking advantage of exceptions to the Postal Service monopoly—mainly for magazines and catalogues—alternate deliverers seek to grab a large piece of the mail business.

Conditions are ripe. Coming on top of deteriorating service, this year's $6.2-billion postal rate hike has hit mailers hard. Magazines have been socked with a 22-percent rate boost, making rates 40 percent higher than before the 1988 increase. Catalogue mailers are among the most affected, facing a 40-to-45-percent rate jump this year alone, a 70-percent increase since 1988. Catalogue mailer L.L. Bean says its postal costs will go up $11 million this year.

While a number of peripheral causes may help explain why postal prices are rising astronomically, most mailers see one fundamental reason: Labor costs at the Postal Service have spun out of control. Postal employees, with salaries averaging $42,000 a year with benefits, are among the world's best-paid semiskilled workers. Entirely unionized, the Postal Service is also the country's largest single employer, ranking internationally behind only the Soviet and Chinese armies. Postal workers are believed to make at least a third more than their private-sector counterparts. By some estimates, labor represents an astonishing 87 percent of Postal Service costs.

While management claims to be improving productivity, critics argue that any gains are sure to be squandered, as in the past, on higher wages and salaries, featherbedding, and other worker benefits. Facing no competition and no bottom line, the Postal Service operates much like a private club, existing primarily to serve itself, contends economist Douglas Adie of Ohio University. Says Lee Epstein, president of Mailmen Inc. of Long Island, a volume mailing service: "There's no competition, so they feel free to do whatever they want."

In the latest round of contract negotiations with the postal unions, now in arbitration, management claims that union demands would lead to a 48-cent stamp. Tom Fahey, spokesman for the American Postal Workers Union, retorts that Postmaster General Anthony Frank is "the Great Privatizer," because he has let service decline to such an extent as to invite private-sector competition. Whatever the contract outcome, mailers see no end to large rate increases.

"We feel that postal rates will continue to escalate, not just this year but for years to come," says Patricia Campbell, executive vice president of operations for Times Mirror Magazines Inc., publisher of such periodicals as *Popular Science* and *Ski* magazine. "We really need to find a way to protect ourselves."

Although the 1872 private express statutes grant the Postal Service a monopoly on all first-class and much of third-class mail, Congress permits competition in some areas, the most familiar being parcels and overnight express, where the United Parcel Service and Federal Express, respectively, dominate. It's less commonly known, however, that the government also permits private delivery of second-class magazines and newspapers and certain categories of third-class mail: catalogues of 24 or more pages, unaddressed advertisements "riding along" with privately delivered material, and saturation mail (unaddressed mass mailings).

These categories represent a considerable market. "Just to give you an idea how big this is, national advertisers last year spent $23 billion, with a *b*, on direct-mail advertising," says Chet Dalzell, spokesman for the Direct Marketing Association in New York. Nearly 100 million people placed orders in response to mail pieces, up 70 percent since 1983. Adding in the millions of magazines mailed each month, direct marketers estimate that 26 billion pieces of mail—some 16 percent of all

boosts the prospects of private mail like postal service ineptitude 22% rate hike.

BY CAROLYN LOCHHEAD

domestic mail—could be diverted annually to alternate delivery,

Alternate delivery, in various forms, has been around for decades. Newspapers have long been delivered privately. Companies belonging to the Association of Alternate Postal Systems have delivered door-to-door saturation advertising for years. A number of established firms, recently forming the Nationwide Alternate Delivery Alliance, deliver such time-sensitive trade magazines and newspapers as *Variety* and the *Financial Times* in 45 U.S. cities.

What's new is the emergence of two companies launching nationwide delivery networks primarily for consumer publications, catalogues, and ride-along advertising. The largest, Alternate Postal Delivery (APD) of Grand Rapids, Michigan, serves 16 cities and plans to reach 95 major markets in the next five years. APD delivers about 1.25 million pieces a month, including at least 32 magazine titles. President and CEO Phillip D. Miller predicts a fourfold jump in volume this year.

Miller likens his system to a television network, in which independent stations operate as affiliates. APD signs contracts with local firms, often newspapers, to deliver magazines, catalogues, samples, and even telephone directories and books. Deliverers also sell local advertising ride-alongs that can be targeted to subscribers. A nursery, for example, might send fliers to *House and Garden* readers. The magazines serve as a base for targeted advertising, while the ride-alongs generate the profit. APD can now undercut postal rates by 15 percent to 20 percent.

Most deliverers use part-time labor and go out once or twice weekly. Because the postal statutes prohibit access to mailboxes by anyone but postal employees, packages are wrapped in plastic bags and usually hung on doorknobs. "Those polybags are to us what the mailbox is to the post office," Miller says.

APD has contracts with the Gannett Co. and Capital Cities/ABC for 14 newspaper markets and with ADVO Systems Inc., the nation's largest direct mail processor. Among ADVO's clients are retailer J.C. Penney; the Hearst Corp., which publishes *Good Housekeeping*, *Redbook*, and *House Beautiful*, among others; and the Meredith Corp., publisher of magazines such as *Metropolitan Home*, *Better Homes and Gardens*, and *Ladies Home Journal*. While many of these companies have not ventured beyond testing, they are clearly interested in alternate delivery.

J.C. Penney seems pleased so far with its catalogue distribution tests. Richard Schart, media distribution and postal services manager, won't reveal how many of the company's monthly catalogues are sent by private delivery, other than to say, "It's more than a handful, let me tell you. It's enough to get a good measure." He sees no constraints on APD's growth. "It appears to me that it's going to be a major market force in the next two to three years."

APD is "getting a real strong hold on a lot of solid markets right now," says Patrick J. Tracey, general manager of Commonwealth Printing Co., a sister company of the *Virginian Pilot and Ledger Star* in Norfolk, Virginia, that delivers for APD. "They've inked some pretty phenomenal contracts with some pretty heavy hitters of late."

Time Warner is the leading backer for Publishers Express, the other major player in alternate delivery. Investors include Times Mirror, Murdoch Magazines, Meredith Corp., American Express, and the New York Times Co. Publishers Express delivers about 30 magazine titles as well as catalogues, but only in the Atlanta area. President Howard Rosen expects the company to "begin to penetrate multiple markets during 1991."

With each rate hike, says Rosen, "alternate delivery becomes that much more viable." Mitchell Newman, president of Mitchell's Newspaper Delivery Inc. of New York and a member of the Nationwide alliance, says that since the rate boost, his firm has been "flooded with calls."

During past rate hikes, publishers frequently threatened to use alternate delivery systems, yet they seldom did more than dabble in a few pilot demonstrations. This time, mailers say they are serious, and they're putting up the money to prove it. If Publishers Express is merely a bluff, "it's a very costly one," notes George Gross of the Magazine Publishers Association.

Despite all the excitement, alternate delivery is not without its pitfalls. The Postal Service enjoys a number of powerful advantages. It offers universal delivery six days a week, through 40,000 post offices. It enjoys sole access to its patrons' mailboxes. It retains its monopoly on all addressed letters, leaving most third-class mailers—who, as the most profitable category of customers, subsidize first-class service—firmly in its clutches.

So far, alternate delivery is available in only a handful of cities. Even in those areas, coverage can be spotty. Private delivery is too costly in many low-density rural areas, and it is sometimes difficult to gain access to urban apartment buildings. Almost no one expects that mailers will ever achieve 100-percent alternate distribution.

Moreover, not all the pilot projects have been unalloyed successes, at least at first. "It clearly isn't as easy as it sounds, just to go out there and deliver magazines outside the post office," says Campbell of Times Mirror Magazines. "There's a definite learning curve out there."

Cashing in on concerns raised by the recent rate hike, APD is racing to expand nationwide to achieve a critical mass, so that wider geographical distribution will in turn draw heavier mail volume. "This will be the best window of opportunity private mail deliverers will ever get to show to the marketplace that they're up to the task," says Gene DelPolito, executive director of the Third Class Mailers Association. But he warns, "If you can't deliver me my marketplace, then you're of no use to me whatever."

APD's Miller agrees that he has about 36 months to establish a network, but he sees things a little differently. "Either the third-class and magazine mailers jump on board and participate in alternate delivery," he says, "or they'll lose the opportunity forever to have a true, viable competitor against the Postal Service." He is confident that mailer participation "will be

there, and we don't think there's any chance we'll miss the window of opportunity."

Private deliverers must make alternate delivery painless, DelPolito contends, offering mailers the same "one-stop shopping" and standard specifications available at the Postal Service. At the moment, APD and Publishers Express emphasize that they are not competing against each other and do not plan to invade each other's markets. Mailers want one nationwide network, says Rosen of Publishers Express, "and if there are competing forces, I don't see alternate delivery working."

It might be preferable to have more than one or two nationwide companies; after the Postal Service raised its rates in February, UPS followed suit. Still, mailers believe even one alternative to the Postal Service would be a big improvement, if the two systems compete against each other.

Duplicating the capacity of the Postal Service is too costly, as Publishers Express has discovered. The company now is copying the APD strategy of using local companies for distribution. Newspapers seem especially well-suited for the work. The *Sacramento Bee* and the *Orange County Register* in California were among the first to set up alternate-delivery systems for their own solicitations and promotional mailings, mainly to defend themselves against rising postal costs and uncertain deliveries.

Both papers discovered, however, that alternate delivery is a profit maker; the *Bee* is negotiating a contract with APD. Newspapers "already have the means in place to become...not just a newspaper company, but a delivery company," says Jim Spivack, alternate distribution manager for the *Bee*. Newspapers have customer service and circulation departments, he notes. "We have existing carriers. We have distribution trucks. I can only see an unlimited expansion."

Although Postmaster General Frank claims that the postal monopoly is a "necessary public institution that serves an important social function as a binding, unifying force in our national life," postal patrons seem to be bound together mostly by shared horror stories. Magazine circulation directors complain of convoluted, unnecessary rules capriciously administered. Navigating the U.S. Postal Service, says one, "is like trying to get an export visa for an automobile in Peru."

Ken Bradstreet, president of the Association of Alternate Postal Systems and an executive at Advertisers Postal Service, a private deliverer of saturation mail in northern Michigan, recalls a local advertiser who had complained that Bradstreet's operation did not reach as many potential customers as the post office could. The advertiser drew this conclusion from the fact that Advertisers Postal was asking for significantly fewer mailing pieces than the post office wanted for delivery to the same area.

So Bradstreet decided to visit the dumpster at the local post office. He pulled out a pile of the advertiser's undelivered mailings and showed him what amounted to some 8 percent of the zip code he was trying to reach. "That picture was worth a thousand words," Bradstreet recalls. The Postal Service was routinely asking for more pieces than it needed and dumping the rest, even though the mailer had paid postage for it as well as printing costs.

The local postmaster, riled by the affair, wanted to call in a postal inspector to determine for certain who had been rooting in the postal garbage, "so that I could be arrested properly," says Bradstreet. No arrests were made, and the advertiser subsequently switched to Advertisers Postal. "The Postal Service is quite good at—I don't want to say covering up—but disposing of excess materials," Bradstreet says. "The mailers never see it and never suspect it."

Alternative deliverers are confident they can outperform the Postal Service. One deliverer boasts that if his company makes a mistake, he'll find out why and have it fixed within an hour.

Alternate deliverers are confident they can deliver superior service. As Newman of Mitchell's Newspaper Delivery puts it, try calling the U.S. Postal Service to find out why Mrs. Jones of Ann Arbor failed to get her *People* magazine last Thursday. Newman boasts that on the rare occasion his company doesn't deliver, he'll find out why and have it fixed within an hour.

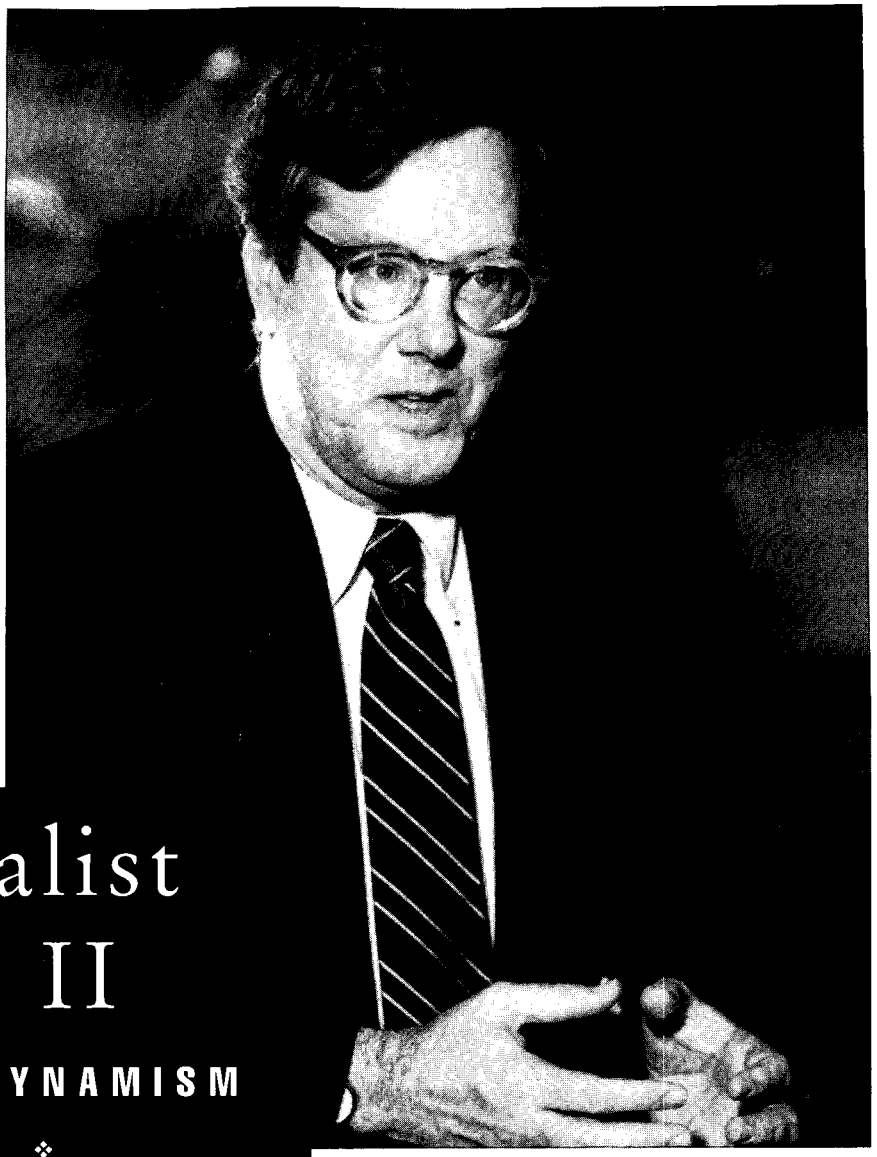
The Postal Service is frequently compared to a battleship, but Thompson, publisher of *Optimum Delivery*, says the behemoth is not merely slow to respond. "I think it's far beyond that," he says. "I just don't see how the Postal Service is ever going to be able to accomplish what private industry can accomplish."

The emergence of alternate delivery could help convince people of that. "If alternate deliverers play their cards right, you're looking at something which is going to be a permanent fixture in the postal market, and something which has tremendous potential to grow," says DelPolito of the Third Class Mailers Association. "Every day that alternate delivery shows it is up to the test of satisfying the market's needs is one day less that you will find for the future of the private express statutes."

Who knows? Someday, even Cub Scouts may get to deliver Christmas cards. ■

Carolyn Lochhead is a writer for Insight *magazine.*

PHOTOGRAPHY BY JONATHAN NOUROK



Capitalist Tool II

DEFENDING DYNAMISM

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MALCOLM S. FORBES, JR.

INTERVIEWED BY VIRGINIA I. POSTREL AND CHARLES OLIVER

People usually describe Malcolm S. Forbes, Jr., as "low-key," "serious," and "bookish," in contrast to his more flamboyant father, Malcolm, Sr. In person, Steve Forbes is soft-spoken and earnest, but he shares his father's famous wit. He notes that the United States should consider siccing the International Monetary Fund on Iraq: "That would knock them down very quickly."

Forbes, 48, a graduate of Princeton University, has been in charge of Forbes Inc. since his father's death last year. But he has long been involved in the editorial process at Forbes. While Forbes readers appreciated his father's insightful restaurant reviews in his "Fact and Comment" column, policy makers turned to Steve's column, also titled "Fact and Comment," to find the cutting edge of economic analysis. Steve was one of the first to push supply-side economics, and he continues to be a strong voice for tax cuts and deregulation. He is generally credited for the magazine's publishing Warren Brookes's cover story questioning global warming. And Forbes is the only person to win the Crystal Owl award—given each year by US Steel to the most-accurate economic prognosticator—more than once. He currently owns four Crystal Owls.

REASON Editor Virginia Postrel and Assistant Editor Charles Oliver interviewed Forbes during a February visit to Los Angeles.

Reason: What directions do you see *Forbes* going in over the next 5 to 10 years?

Forbes: We will continue to evolve as we have done for the past 20 years—concentrating on the people who run and manage companies, people who can make decisions, people who start new enterprises, because without good management you'll not for long have a good business.

We are not only a drama critic of companies—telling who's doing well and who isn't and why, coming to conclusions. We also unearth trends such as the litigation scandal where [Ralph] Nader got very close to the trial lawyers—each scratching the other's back, wrapping themselves in virtue. We will continue to take the veil off of that sort of thing.

Reason: Now that Nader piece was extremely controversial. You were deluged with letters.

Forbes: Right. But his response wasn't as strong as we had expected it to be. He was full of anger and outrage. But he really didn't wound or demolish the premises of the piece.

Reason: But surely you didn't expect that.

Forbes: No, we didn't. But I think he was quite surprised that anyone would dare to treat him as he treats others.

Reason: *Forbes* has a reputation for challenging the conventional wisdom. Were the Nader piece and global warming piece examples of using that viewpoint on a political issue, or did they reflect some particular ideology?

Forbes: Our ideology, if there is one, is "Let business be done by consenting adults." We don't have an ideology or party line, but we're always looking for things that others haven't found.

On the Nader story, for instance, we stumbled onto that because of our earlier story on the scandalous ways that trial lawyers have affected the economy and the way judges have allowed that to happen. When we were researching that story, we stumbled across the fact that there was this unpublicized, very close relationship between Nader and the trial lawyers. They worked very closely, like hand in glove. We didn't search out Ralph Nader. We came upon it doing another story. That's often where you get your best stories—you start one story and end up getting evidence that warrants another one.

Reason: Some have said *Forbes* is getting too much into political issues and inching away from pure business journalism.

Forbes: Quite the opposite. Nader has had a major impact on business and not always for the right reasons. One of the institutes that he has been associated with came out with a piece a few months ago alleging that five major insurance companies were on the rocks. It had to, at least in two of those cases, withdraw that statement and in a third do a semiwithdrawal.

Environmentalism and its cost obviously have impact on the economy, and to have a piece that says we should try to pay more attention to science and less to emotionalism doesn't seem to be a bad thing for anyone whether they're in business or out of business. Business today is a much broader subject, and it's subject to many more forces than it was 20 or 30 or 50 years ago.

Reason: How does a business magazine, particularly one that takes a tough stance on regulation and is critical of people like Nader, avoid becoming a sort of cheerleader for business?

Forbes: By having each one of our stories come to a conclusion, we avoid being a cheerleader for anything that shouldn't be cheered. The flaws of capitalism are people who don't know how to run businesses well. They waste capital. They wither it away. When I say drama critic, that means we praise *and* pan. Each issue has a number of stories that are critical. As a matter of fact, some congressional investigators say they get a lot of their ideas by reading *Forbes* because we seek out the shortcomings, the people who aren't doing well.

Reason: How would you describe your personal political views?

Forbes: I'm pro-growth. If that means enterprise zones, I'm supportive, and if it means increasing the earned income tax credit as a way of enabling people to get off the welfare treadmill, I would be for it. That's really the guiding compass: How do you let people develop their talents with a minimum of interference?

One of the dynamics of capitalism is that because it's in constant change, there are always people who feel they're going to be hurt by change and are going to resist it. Sometimes some of these subsidy programs are really bribes to allow change to take place, not block it. Look at the number of farmers today compared to 60 years ago. It's gone from 25 million to less than a million serious farmers. We threw in subsidies that shouldn't have been in there, but they didn't muck up the rest of the economy too much. That doesn't mean we should say we're all for subsidies. It just means you've got to recognize sometimes that, human nature being what it is, when something is threatened, don't let the forces of the status quo block the change.

The best way to get change is by doing something like reducing or eliminating capital gains taxes so that people on their own create the dynamic for getting ahead rather than having to go through an existing entity or get permission from existing political structures.

Look at an area like the Middle East. When the war is over, what we should be concentrating on isn't trying to find a favorable faction in Iraq and Kuwait or wherever else. We should push policies that would break the economic feudalism that has dominated that region.

Reason: For example?

Forbes: In order to set up a business, it's now almost as bad as Latin America in terms of getting the permission. Tax rates are much too high. Iraq is a very centralized economy. Egypt has improved, but it still has a suffocating bureaucracy. Algeria's made a little progress, so it's 98-percent hopeless, instead of 100 percent. Even Israel is in an economic straitjacket. The government owns the banks. The tax rates are too high. They've lowered the top tax rate. But if you add up individual tax rates, the value added tax, and all the other taxes they apply, it's an oppressing burden. Just as Ludwig Erhardt opened up Germany, sweeping away the war controls and rationing, so we should try to sweep away the obstacles to the entrepreneurial energy in that region.

People want a nice environment, but they won't write a blank check for it or allow environmentalism to be used as a cloak for dominating people's lives.

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Even if we don't get a favorable faction, we will develop eventually a middle class that will be more interested in getting ahead than waging war on their neighbors. Even if they hate their neighbors, it won't stop them from doing business with the neighbors.

We see that in Germany today. The Prussian disease has been largely eliminated. Today, instead of jack boots they are more interested in sneakers and demonstrating against the war rather than marching off to war.

Reason: Specifically, what can America do to foster these changes?

Forbes: We should ban the International Monetary Fund. If we have any other enemies, we should send the IMF to them, and that will undermine them very quickly. Maybe that's what we should do to Iraq, just send some IMF experts. That would knock them down very quickly.

We should advocate low tax rates. We should advocate not having to go through 50 different hurdles and having to bribe 300 different bureaucrats to set up a business.

Reason: What you say makes a lot of sense, but I tend to be fairly pessimistic. Look at Israel, where the United States has a fair amount of influence. We haven't used it.

Forbes: We haven't used the influence because it has never occurred to us that the way they run their economy is particularly bad, that the advice that they get from so-called experts is wrong. It just hasn't been on anyone's agenda. But it's time to put it on the agenda. The Israelis would probably be very relieved if, instead of beating up on them over the Palestine question, we said, "Gee, you should reduce tax rates and reduce your regulatory obstacles." If we try to go in there creating that dynamic, just as we created in Europe after World War II, it does set in motion forces that are more benign than malignant.

Reason: Returning to the domestic scene, it seems that there is a great deal of opposition to growth developing. The environmental movement and the no-growth movement reflect this.

Forbes: Sure, growth is like creativity, it doesn't go along very neat, precise plans. You get clogged highways before you figure out a way to open up capacity. You get pollution before you figure out a way to fight it. With automobiles you get accidents, you get carnage. With anything new you have benefits *and* costs. But that doesn't mean you should say, "Gee, it's bad." It's much better to have those problems than the problems of stagnation, where nothing happens.

Right now, the California economy is starting to falter. We had a story six months ago that said California is in for a rough period because they've taken their prosperity for granted. I guarantee you that in five years that attitude is going to change. When they find out that their homes go for 40 percent less than what they paid for them, and when unemployment goes up, suddenly growth won't seem so bad anymore.

You're always going to have this friction. In the 1960s, people at college assumed the economy was always going to grow and prosperity was a given. So they concentrated on saving the world by going off and building chicken coops in Chile or demonstrating against war. There were more exalted things to do than worry about earning a living. Well, after the 1970s recession, that attitude began to change, especially when these people got out of college and actually had to do something. So you're always going to get this up and down. Most people, even though they may get annoyed by change in a certain area, don't conclude that growth is all bad. They just say, "Let's clean up around here." The resounding defeat of Big Green says that people may like a nice environment, but they're not going to write a blank check for it or allow environmentalism to be used as a cloak for dominating people's lives through bureaucratic decrees.

Reason: Are there any particular people whom you admire in public life?

Forbes: There are some who do certain things that are good. Jack Kemp, for example, is trying to find new ways of breaking the paralysis in the inner cities. The idea that you have an East European–style economy operating there is a good place to start.

I admire Ludwig Erhardt for what he did in economics. He was a lousy chancellor, but he got the economic part of it right and understood it. You can see that in Germany today.

I like [Margaret] Thatcher in certain areas. She strayed a little bit in recent years. That's why she got herself in such trouble.

I respect Reagan for doing what he did, despite all the compromises. They don't look quite as bad today. So it's all

case by case. I'll even give kudos to someone I disagree with on most issues. If we see eye to eye on one, I'll give him credit for it.

Reason: You say Thatcher strayed. In what way?

Forbes: She strayed in her monetary policy. Her tax changes in '87 brought a flood of new money into Britain. They tried to keep the exchange rate at an unrealistic level and instead set off an inflation that raised interest rates from 8 percent to 14 percent. That, more than anything else, killed her politically, because all the mortgages there are floated, and you don't get the tax deduction, so homeowners feel the pain very quickly. And that's her constituency, homeowners. She left them hanging, so she didn't have the core that could have saved her when the cabinet knifed her. Fighting inflation is what she came into power on, and that's what ended up doing her in.

Reason: Are you optimistic or pessimistic about the U.S. economy over the next few years?

Forbes: There is strength in this economy that people have overlooked. Who knows when the war will end, but when it does, we'll start to see a revival in economic activity. In the last 15 years, various sectors have gone through wrenching changes, but never simultaneously. In the booming '80s, agriculture and energy went through a depression. That's Midwest agriculture. California agriculture is a different area. Banking is going through one today, as is real estate. But even if these areas continue to go through changes, that doesn't mean the other parts of the economy shouldn't start to pick up and show signs of life. The nice thing about an open economy is that you're not dependent on a handful of people doing something right.

And if we make a few changes on the tax code, we'll really see some activity. But we're still a long ways from doing something about the debt and the Federal Reserve. I can just hope that the damage that they do is minimal.

I guess if you want to reduce it to simple form, it's the raw energy quotient in this country that is still very strong, and increased immigration could make that energy grow even stronger. It can ameliorate the shortcomings of the political elites, business elites, and everyone else who "knows what they're doing."

Reason: So you support fairly open immigration policies?

Forbes: This country has the capacity to absorb more immigrants than we are absorbing now. There are several benefits with immigrants. One is they don't let you get set in your ways. That kind of constant prodding is very important as many societies do get set in their ways and take their advantages for granted. When you get new people coming in, you can't do that as much as you would otherwise. It keeps the rest of us on our toes. This country can absorb people so much better than any other country. We're not a Lebanon. We're not a Soviet Union. When people get to America, they're glad to be here, most of them. Allowing people to come in who are neither members of existing families nor political refugees but who want to come and do something is all for the good.

Reason: You're not worried about any sort of threat to the culture?

Forbes: There are always threats to culture when you bring new people in. That's why it's important to have a society that's fairly confident of itself. A hundred years ago people said we could absorb the Germans, the Irish, and the English, but how in the world could we absorb these southern Europeans who have no democratic tradition at all. Well, for a while, it was touch and go. That's why you had rough political machines in some cities. It wasn't very democratic, but that was part of the adjustment process. Now political scientists say, "Gee, these machines did help the transition." Even though they stole everyone's money, they performed a service—probably better than some of the social services today—because they wanted to get votes.

New York City, for example, will never be as smooth or gracious a city as others because you always have a new crowd coming in that wants to muscle its way in. So New York has a harder edge than the rest of the world.

Reason: Are you optimistic about New York?

Forbes: Short term, no. The state of New York and the city of New York have very severe financial problems, but again, the raw energy level is high. So we will survive. Over the next 10 years, local government budgets will be under such pressure they will be forced to try things that they never would have tried before. Just as inflation enabled us to deregulate transportation, so will budget crises force governments to try things—whether it's privately owned highways or whatever—that they never would have fathomed before, just because they can't afford the old way of doing things anymore.

Reason: Thank you.

There is strength in this economy that people have overlooked. The raw energy is very high.

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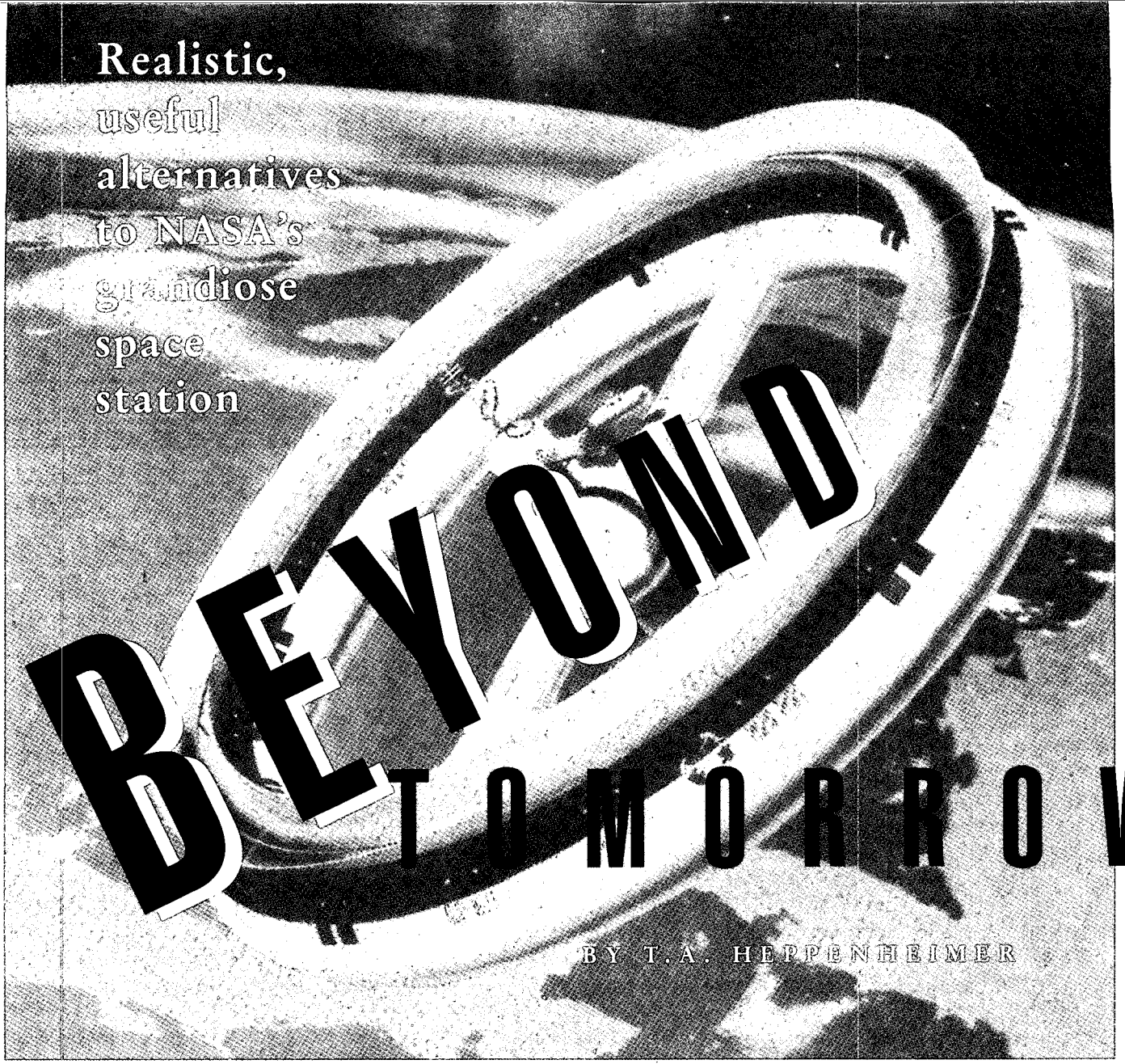


Realistic, useful alternatives to NASA's grandiose space station

BEYOND TOMORROW

BY T.A. HEPPENHEIMER

The old TV program "Disneyland," through which both Davy Crockett and rocket scientist Wernher Von Braun gained widespread attention, once presented an episode called "Man in Space." In it, Disney's artists vividly and dramatically depicted Von Braun's vision of the future. The show featured rockets larger than the Saturn V that would eventually send astronauts to the moon. These behemoths launched winged space shuttles, which built an enormous space station in the shape of a wheel, permanently crewed and orbiting high above the earth. It was never clear what exactly the station itself would be used for, but one purpose was plain: It would serve as the jumping-off point for an expedition to the moon.

All this was very much in keeping with the grand ideas of astronautics. These had developed largely during the 1920s and '30s, in an era when aviation was rapidly advancing and electronics was primitive. The vision of spaceships was a straightforward projection of experience with aircraft, which for decades remained inexpensive even as their speeds and altitudes increased with no limits in sight. The expectation that spacecraft would carry astronauts as pilots was also quite reasonable, since the technology necessary for computer guidance still lay decades in the future.

Cut now to 1991. The United States for several years has been pursuing a vision astonishingly similar to Von Braun's. Here, too, the goal has been a space station, hundreds of feet in dimensions and permanently crewed. Here, too, the space shuttle has been the intended means of construction. And to top things off, in 1989 President Bush announced a "Space Exploration Initiative" in which that orbiting station is to serve as a base for a return to the moon and for flights to Mars.

But this project is rapidly evolving into something that is all too common in Washington: a program that promises to consume funds without limit, while never reaching completion or delivering useful services to the taxpayer. Between 1984 and 1990, its cost estimate (merely for construction and not for operations) went from $8 billion to $37 billion. That is a sum

exceeding the total of the endowments of Harvard, Yale, Berkeley, Princeton, MIT, and Caltech.

But whereas these great research universities have been in operation for generations, there is good reason to doubt that a functioning space station could be built at all under NASA's current plans. It is past time to consider alternatives to the space station, projects driven by consumer demand rather than grandiose ambitions disconnected from the real needs of science and business. While the goals suggested by a dispassionate analysis may seem uninspiring when compared with NASA's vision, they have the distinct advantages of feasibility and cost-effectiveness.

After six years of studies and the expenditure of $4 billion, NASA still has no space-station design worthy of the name. The magazine *Science* quotes a program insider: "The work that's been done to date is crap. It's not even good engineering."

Reliance on the shuttle has constrained design possibilities. Under NASA's plans, the space station would be built from payloads carried in a succession of shuttle flights and then assembled in orbit. But the shuttle cannot transport components wider than 15 feet. Nor can it lift the station to its ideal orbit of about 400 miles, where erosion caused by monatomic oxygen is minimized and solar-energy potential is maximized. NASA's latest plans call for 23 shuttle flights just for construction of the station; at the same time, the shuttle would continue to carry payloads for other projects. This compares with a total of 38 flights, for all purposes, since 1981.

L A N D

Astronauts would have to do a lot of work to assemble the station and maintain it prior to completion. The most extensive instance of such work so far occurred in 1973, when a crew of three astronauts unfurled an umbrella-like sunshade over the Skylab space facility. No one has ever performed so basic an exercise as joining two shuttle payloads to build a functioning spacecraft.

The work would involve thousands of hours of spacewalks. Yet America's total experience to date in this area amounts to about 200 hours of extravehicular activity, spread over the past quarter century. NASA tried to duck this issue until the *New York Times* publicized it last year. In March 1990, the *Times* reported that NASA had estimated it would take 2,200 extravehicular hours a year to maintain the space station.

As shocking as that figure was, NASA later raised it by 75 percent, to 3,800 hours. This would be in addition to the estimated 7,000 extravehicular hours needed to assemble the station. "You can't do it as currently designed," an anonymous NASA engineer told the *Times*. "You have to build a different station." NASA is looking for ways to reduce the need for spacewalks to a realistic level.

NASA cannot be trusted to recognize and fix such problems on its own. In the course of developing the space shuttle, it adopted a peculiar sort of intellectual dishonesty called "success-oriented management." A layman would call it blind optimism. It has amounted to a belief that NASA's designs are bound to succeed, so why worry? This attitude resulted in the loss of the *Challenger:* Knowledgeable managers were ignored when they tried to warn that it was unsafe to launch in cold weather. More recently, overconfidence led to the nearsightedness of the Hubble telescope. Again, there were managers who knew the telescope's main mirror had problems, but they could find no one who would listen.

"They have always oversold and overpromised," says John Pike, an analyst at the Federation of American Scientists. "Their management clearly expected that the shuttle was going to be wildly more capable than it turned out to be. They've had an attitude like Winston Churchill's, back in about 1943, when his generals were telling him why something wasn't going to work. Churchill said, 'Gentlemen, just tell me how you are going to do it. The problems will suggest themselves.' "

Indeed, NASA's main response to criticism of the space station has been to trot out clichés about Man the Explorer, while running to Congress for more money. But members of Congress have begun to balk. In its 1991 appropriation, Congress cut $550 million from NASA's request of $2.45 billion. It also sliced out President Bush's request for start-up funds for his Space Exploration Initiative. And criticism of the station has come from no less a figure than Thomas Paine, NASA administrator at the time of the lunar landings. In September 1990 he wrote that "the current space station program is no longer endorsed by most scientists and is delaying, not advancing, the President's goals."

In answer to such criticism, NASA has begun to budge, but only slightly. Responding to a direct order from Congress, the agency in March released the latest in a continuing series of designs. It shrinks the length of the space station from 508 feet to about 300, cuts out two of eight solar panels, eliminates two crew modules while shrinking two others, and reduces the crew from eight to four. But the station's intended purposes still place heavy emphasis on long-term studies of astronauts in weightlessness, which only make sense as a prelude to a manned Mars mission.

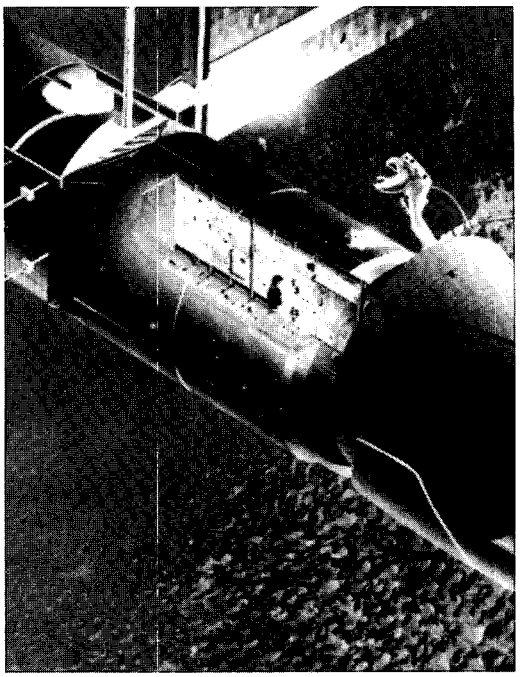
Hardly had the new design been released when critics began to gather anew. Robert M. Walker, a space scientist at Washington University in St. Louis, questioned whether NASA will ever get its space-station act together. "It's the most totally mismanaged program I've ever been associated with," he told the *New York Times*.

None of this means that the space station is in imminent peril of crashing to earth. After all, NASA has had its heart set on such a project for more than 20 years. Originally, the space station and shuttle were pitched as interrelated parts of a single system, but Congress killed that scheme, allowing only the shuttle to go forward. Then in 1981, with Ronald Reagan's election, James Beggs took office as the new NASA adminis-

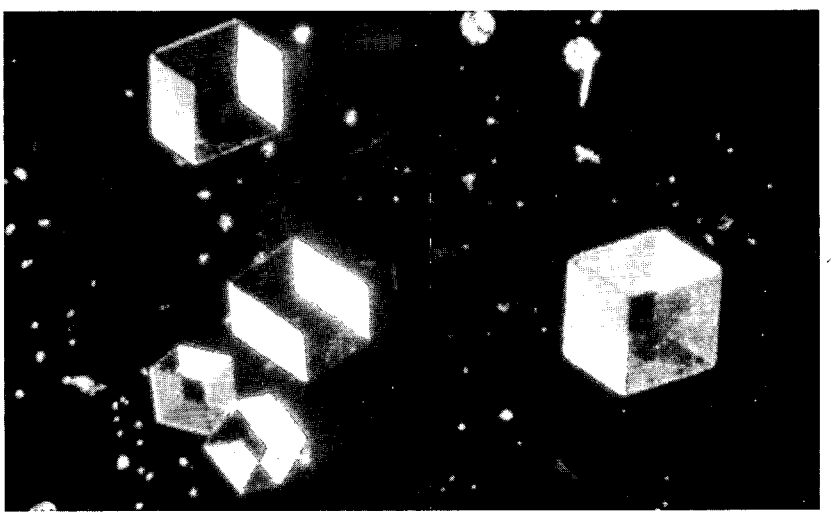
trator. A former senior executive at General Dynamics, he was lobbying for a space-station program even before he came to Washington. Beggs was quite frank about its purpose: to give NASA's centers new work after they got the shuttle flying. Former White House aide Douglas Pewitt, who observed Reagan's 1984 approval of the space station at close quarters, stated at the time that NASA was "looking for something to do instead of having something to do," and that "the idea of a space station is driven principally by NASA's requirements to feed their client institutions, aerospace companies and their labs."

Today, with President Bush announcing his hopes of building bases on the moon and sending astronauts to Mars, the picture is complete. NASA, like the kings of France, has learned nothing and forgotten nothing. It is still pursuing the agenda of Disneyland. It is doing so piece-meal, one project at a time, rather than trying to grab everything in one swoop; but its pursuit of this agenda is unmistakable. Equally unmistakable is the reason; as an old NASA catchphrase has it, "No bucks without Buck Rogers." Astronauts bring in federal funds in quantities that Donald Trump never dreamed of.

NASA is still pursuing the agenda of Disneyland. The reason is clear: "No bucks without Buck Rogers." Astronauts bring in money.



The Columbus free-flying lab docks with a manned spacecraft for servicing.



One use for manned space facilities is the manufacture of materials such as these Gamma Interferon crystals.

COURTESY OF EUROPEAN SPACE AGENCY

Nevertheless, one may indulge in a space fantasy. What if we had a space program that truly were to serve the public interest, rather than NASA's own interest? What if it were to pursue something other than the technological counterpart of agricultural programs, in which designers are paid not to do good engineering much as farmers are paid not to grow crops? What alternatives might be pursued in lieu of NASA's present follies?

In advancing such a vision, the beginning of wisdom would lie in contrasting the hope of manned flight with its reality. The hope has consumed oceans of rocket fuel and ink in the name of the astronaut as hero. Yet a simple fact remains: In 30 years of effort, the science and technology stemming from manned flight have been minuscule.

A proper approach to astronautics would begin by considering, in a humble spirit and without recourse to the ideas of science fiction, just what astronauts might be able to do usefully in space. The experience of three decades suggests two activities:

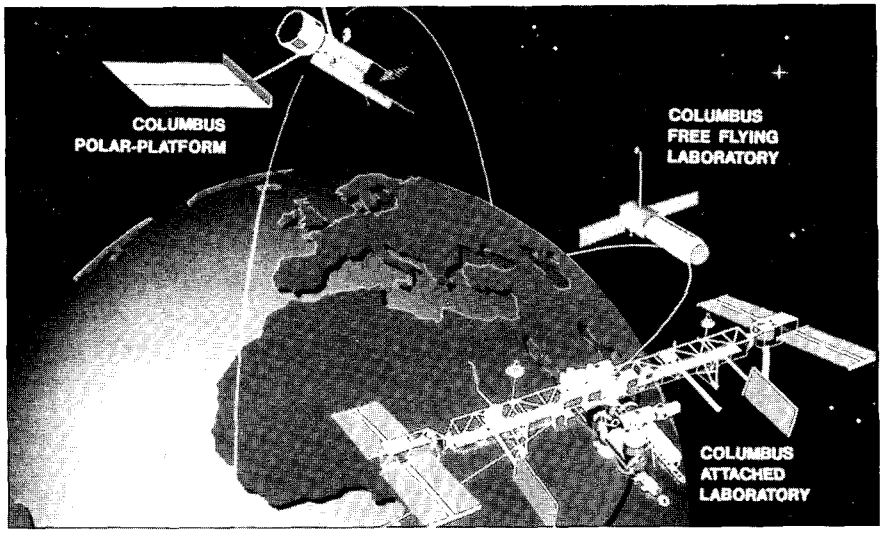
- They can tend spacecraft, which ordinarily operate unmanned but benefit from occasional visits. An example is the planned 1993 flight to the Hubble telescope, in which an astronaut is to install a new lens to correct its faulty vision.
- Some specialized problems in science, including issues in molecular biology and materials science, can benefit from orbital research. The goal, though, is not to find what the rocket scientist Krafft Ehricke called "a beautiful cure for cancer." Rather, it's to prepare small samples of particular substances, such as protein crystals, which then can be studied on earth.

An appropriate program of manned flight, then, would not aim at building the biggest possible array of pork-barrel projects. Instead it would serve the needs of scientists and other technical people tending spacecraft and conducting orbital research. These needs would include the opportunity to build an experiment, fly it, modify it, and fly it again—all within the space of a year or so.

After all, this sequence of undramatic steps is the way science is done. It's how graduate students get their Ph.D.s and

how working professionals develop their understanding. But it contrasts sharply with the current practice, which is focused on major space projects that can be hailed as breakthroughs. These look impressive on the nightly news, but they are nightmares to the scientists involved. They often demand a decade or more out of a scientist's career, as delays multiply and costs escalate. To participate in such an effort is to cast your fate to the wind, because the opportunities to fly an experiment are so rare and uncertain.

Consider the experience of James Westphal, a planetary science professor at Caltech. NASA hired Westphal to develop the wide-field planetary camera, designed to take sharp pictures of planets, galaxies, and galactic clusters, for the Hubble telescope. As part of the arrangement, Westphal was guaranteed time on the telescope for his own research. After waiting some 20 years to get a crack at Hubble, he now has to wait several more years for the telescope to be fixed, so the camera can produce the clear pictures he wants.



NASA's planned space station: "The work that's been done to date is crap."

From the perspective of scientists such as Westphal, there are several activities that the space community might pursue in lieu of the space station. The first would be to fly more Spacelab missions. Spacelab is a made-in-Europe program that has built small laboratories and equipment that fit within a shuttle payload bay. These depend on the shuttle for electrical power and other services but nevertheless are quite versatile. Working scientists have used them, wearing shirtsleeves rather than pressure suits, to carry out various kinds of research. These have included studies of weightlessness with several species, astronomical observations from telescopes, and the growing of specialized crystals in orbit.

NASA has neglected Spacelab, with only five flights to date. This may be changing, however; 13 more are scheduled during the next four years. A renewed commitment to Spacelab would show that NASA is serious about pursuing research in space, using means that are already at hand. And it would test NASA's ability to keep to a planned schedule of shuttle launches, even though that schedule would be far less demanding than the one proposed for support of the space station.

A second alternative course would be to develop an autonomous version of Spacelab, able to operate on its own in orbit with occasional visits by astronauts. Just such an effort, called the Columbus Free Flying Laboratory, is a centerpiece of Europe's space program. Columbus is to feature an enclosed compartment the size of two Spacelab chambers, along with solar panels for power and small rocket engines to keep it from tumbling. It is to carry two tons of lab equipment initially, with this payload growing to five tons eventually. Columbus then will be able to carry out long-term studies in several areas: the slow growth of crystals in weightlessness, the behavior of fluids, the physiology of animals that spend their entire lives in space.

Columbus, however, is a project of European governments, and like most government programs it will take a long time to get started. Its first flight is not expected until 1998. The United States could beat Columbus into orbit with the Industrial Space Facility, designed by the Houston firm Space Industries International. The ISF is a shuttle-tended spacecraft that resembles Columbus but offers more internal room and greater electrical power. The current shuttle schedule calls for launching two of them in 1994.

The combination of Spacelab and the ISF would offer the prospect of an ongoing program that could explore in detail just what can be accomplished through man-tended research. Spacelab flights would carry out initial tests with new equipment, as scientists hover close by. Then, if longer experiments appear to be warranted, the ISF (and, later, Columbus) could carry the equipment, with astronauts installing the apparatus and making sure that it works properly. It would then be left alone for six months or even longer, until a subsequent visit reaped its fruits.

Such operations, proceeding on a regular schedule, could build a community of researchers who see spaceflight as an ongoing theme within their working lives. The growth of such a community would build a base of experience, making it possible to assess with increasing realism the desirability of building new and expanded space laboratories.

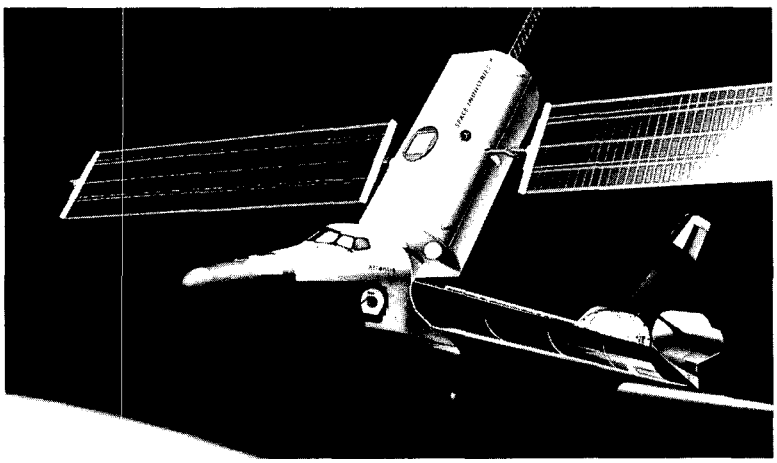
The ISF could serve as a basis for such orbiting labs, for it offers the ability to link several components to create an expanded facility. The ISF's basic design comes in two parts, the facility module and the auxiliary module. The first of these stays in orbit and carries out the work. The second can be detached for a round trip to earth, to exchange raw materials for harvested products. Also, two facility modules could be linked together, with as many as four auxiliary modules attached.

This would offer a gradual approach to a true space station,

in which expansion would be driven by emerging demand for its services rather than by NASA's need to pursue a full-employment program. Some of these modules could be equipped with accommodations for astronauts, allowing them to stay in orbit for weeks or months. A transition from a man-tended facility to one that is crewed for long periods could be accomplished without a sharp break. It would merely be a matter of installing the needed crew support within the facility's standardized components.

The International Space Facility offers the possibility of a gradual approach to manned research in space.

In 1985 Oliver Harwood, then an engineer with Rockwell International, proposed just such a design. (After his article appeared in *The Journal of the British Interplanetary Society,* Rockwell, a leading NASA contractor, reprimanded him; he retired a short time later.) Harwood's modules would each fill a shuttle payload bay and could be linked at their ends to form a three-dimensional array. They would be joined at 60-degree angles, forming a triangle, then a tetrahedron, and so on to more complex shapes. An initial version, Harwood asserts, could be made operational with as few as four shuttle launches.



These four initiatives—Spacelab, Columbus, the Industrial Space Facility, and the Harwood space station—break sharply with NASA's plans by offering a step-by-step approach rather than attempting a leap to the top. And while they fall far short of NASA's $37-billion ambitions, in important respects they already hold out the prospect of projects more advanced than we could justify pursuing today.

For example, despite much talk of manufacturing products in space, the only such product made so far is a modest quantity of microscopic spheres used for calibrating electron microscopes, with a value less than a single scientist's annual salary. The only significant industrial effort in space manufacturing was a project studied at Johnson & Johnson in the early 1980s, and it was abandoned even before the loss of the *Challenger.* The would-be builders of the ISF have had considerable difficulty in finding experiments to fly on their spacecraft. The gap between current demand and the capabilities that would be offered by even a small Harwood station shows how far a less-grandiose approach than NASA's could carry us into the future.

In addition, such an approach would offer private industry an opportunity to explore and develop the promise of research in space. This would be entirely in keeping with its recent success in pursuing another major opportunity: that of building commercial launch vehicles. Such rockets include the Atlas built by General Dynamics, McDonnell Douglas's Delta, and Martin Marietta's Titan III.

These were developed during the 1960s as government projects and were mainstays of our space efforts in pre-shuttle days. With the coming of the shuttle, however, NASA and the Air Force stopped placing orders for these rockets. In addition, NASA pursued pricing policies that granted subsidies to shuttle users, undercutting the alternatives. By 1985 their builders were getting ready to abandon them altogether and break up their supporting technical teams, which would have meant losing these launchers beyond recall.

Then came *Challenger.* In the wake of the accident, President Reagan announced a new space policy, under which the shuttle would no longer carry communications satellites or other commercial payloads. This furnished Atlas, Delta, and Titan III with the market opportunities their builders had needed. Today all three are flourishing. What's more, General Dynamics has shown its confidence in the future by announcing plans to build 62 Atlases in a single production run, even though it doesn't yet have the customers who will use them.

This enterprising spirit among the aerospace companies is especially striking in comparison with the stick-in-the-mud stodginess of NASA. The agency now faces a problem that the science-fiction writers never dealt with: loss of credibility, brought about by a consistent record of overpromising and underperforming. We see this in widespread press attention to fuel leaks and craked hinges in the shuttle, with the implication that these are no more than the tip of the iceberg. We see it when Congress rejects out of hand the president's space plans. And it's also apparent when criticism of NASA's plans focuses not only on the value of the projects but on NASA's integrity in proposing them and its competence in carrying them out.

The agency has reached its present state by pursuing what might be called the Mae West approach to space flight, summed up by the saying, "I gotta have a man." That is why it continues to pursue such glamorous goals as the largest possible space station, along with manned missions to the moon and Mars. But there is another way to pursue a space program: to focus on providing real services to users. Such services can benefit from the presence of astronauts, who can carry out research and tend spacecraft. And these initiatives, pursued as alternatives to the space station, can offer the means whereby we on earth will truly reap the benefits of manned spaceflight. ◼

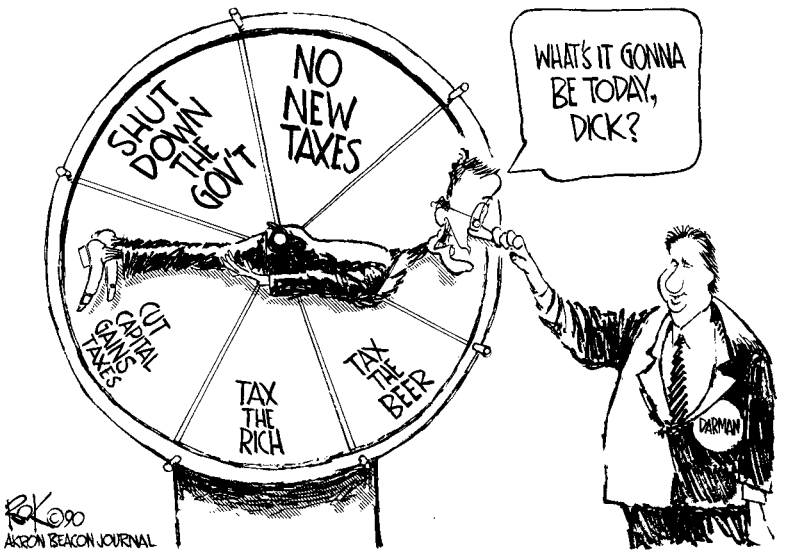
Contributing Editor T.A. Heppenheimer is an associate fellow of the American Institute of Aeronautics and Astronautics.

COURTESY OF INTERNATIONAL SPACE FACILITY

FISCAL FOLLY

BY DANIEL J. MITCHELL AND ANDREW F. QUINLAN

Last May, Richard Darman, director of the Office of Management and Budget, convinced the President that he had to renege on his no-new-taxes pledge and enter a budget summit with the Democrats. The stated reasons for this abrupt reversal were to reduce the deficit and strengthen the economy. At the time, the 1991 deficit was projected to be about $200 billion, and the annual rate of economic growth had slipped to less than 2 percent.



After a torturous process lasting nearly six months, Darman and the Democrats got their deal, which they claimed would reduce budget deficits by $500 billion over five years, shrink federal spending to 18.2 percent of the gross national product by 1995, double the annual rate of economic growth in 1991, impose binding caps on annual appropriations, and maintain the integrity of the Gramm-Rudman deficit reduction law. Last but not least, the budget deal would produce a budget surplus by 1994.

Not everyone believed Darman's assertions. Rank-and-file Republican legislators, business groups, taxpayer organizations, and the editorial page of the *Wall Street Journal*, among others, raised objections to the budget deal. Some pointed out that Washington raised taxes in 1982, 1984, 1987, and 1989 as part of budget summit agreements designed to reduce the deficit, but in every single instance the deficit was higher the following year. Was there any reason to expect that higher taxes would reduce the deficit in 1990, they asked? Others wondered what economic theory suggested raising taxes was the way to strengthen an economy. Notwithstanding these and other objections, however, Congress and the president approved the agreement.

Unfortunately for Darman, even though barely five months have passed since Bush signed his cherished budget into law, it appears that the skeptics were right, and he was wrong. By every conceivable standard, Darman's budget was a disaster.

The major reason for the budget summit, of course, was to reduce the budget deficit, which the OMB had estimated last May would be as much as $206 billion in the absence of a deficit reduction deal. Because of their professed concern over rising deficit projections, combined with fear that inaction would result in automatic budget cuts under the sequestration provision of Gramm-Rudman, policy makers decided to cut a deal, which they claimed would solve the deficit problem once and for all. The result was not what we were led to believe it would be. The Congressional Budget Office recently estimated that the 1991 deficit will be $298 billion. The Administration now projects this year's deficit will climb to more than $318 billion.

To be fair, Darman never claimed the budget agreement would reduce the deficit in 1991. Even he understood that a budget that allowed domestic discretionary spending to climb by 9.1 percent and entitlement spending to soar by 12.5 percent in just one year would not reduce the deficit no matter how much he raised taxes. Darman's major claim was that the budget deficit would reduce the sum of projected deficits over five years by $500 billion and generate a budget surplus by 1994.

Once again, Darman's claims and reality collide. In July 1990, the CBO projected baseline deficits between 1991 and 1995 would total $949 billion. But the CBO's January 1991 estimate, which includes Darman's deal, says deficits for this period will be $1.158 trillion, an increase of $209 billion. Even if Congress produces the additional $144 billion of spending cuts (actually reductions in spending increases built into the baseline) promised in the agreement, the five-year deficit will still be $65 billion higher than it was before the budget deal, not $500 billion lower as Darman claimed. Of course, the chances that Congress will actually produce the extra $144 billion of savings are slim; Ronald Reagan is still waiting for the $3.00 of spending cuts per $1.00 of higher taxes Congress promised in 1982.

What about the goal of a budget surplus by 1994? The CBO now says the deficit that year will be $211 billion. The OMB, using more optimistic assumptions, projects the deficit will be $67.5 billion.

Darman's other major goal for the budget summit was to strengthen the economy, and once again he failed. To make the numbers look good last fall, Darman had predicted that enactment of the budget deal would cause the annual

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WASHINGTON

rate of economic growth to almost double in 1991 and nearly triple in 1992. As any Economics 101 student could have predicted, though, higher taxes hurt the economy. As a result, the longest peacetime economic expansion in America's history has come to a crashing halt.

Of course, higher taxes were just one cause of the current downturn. Record increases in federal spending, expensive new regulatory burdens such as the Clean Air Act, and higher minimum wages all contributed to the recession. There is little doubt, however, that both the expectation of higher taxes—which slowed economic activity as investors waited to see what new taxes the budget summiteers would propose—and the actual imposition of the largest tax increase in our nation's history were the final blow to an already weak economy.

If nothing else, Darman has vindicated supply-siders such as Housing Secretary Jack Kemp and Chamber of Commerce Vice President Richard Rahn who have argued that higher taxes would increase the deficit by slowing economic growth. The CBO, which certainly cannot be accused of using a supply-side model, estimates that a weaker economy will cause tax collections to be $206 billion lower over the 1991-95 period, completely offsetting the $170 billion of higher taxes contained in the agreement.

Unwilling to admit his mistake, Darman maintains that the tax increase had nothing to do with the recession. Evoking images of a spoiled little boy blaming the family dog for the broken vase, Darman shifts responsibility for the economic downturn to Saddam Hussein and monetary policy.

Darman's other claims prove equally groundless. The budget deal was supposed to reduce federal spending to 18.2 percent of GNP by 1995, but both the OMB and the CBO now project that 1995 spending will exceed 20 percent of our nation's output, and even that estimate is exceedingly optimistic. The one fact we know for sure is that federal spending this year will consume more than 25 percent of GNP, the highest level since World War II. Darman continues to tout the spending "caps" in the budget agreement as a great achievement, but the administration's own budget, prepared by Darman, reveals that domestic discretionary spending will climb faster than the rate of inflation. The fastest-growing part of the budget, entitlements, have no caps whatsoever, and will grow at nearly twice the rate of inflation.

The "new and improved" Gramm-Rudman, which supposedly enforces the agreement, is a joke. The new law allows spending and deficit targets to be adjusted when technical and economic assumptions are revealed to have been overly optimistic, meaning the minimal level of spending restraint in the current agreement will quickly evaporate. January's CBO report revealed the magnitude of this loophole, as technical "re-estimates" added $215 billion to five-year deficits and economic "re-estimates" lumped on an additional $325 billion. Unlike the old Gramm-Rudman, the new law does not force Congress to pass deficit-reduction legislation. Thus it creates a huge incentive to constantly manipulate underlying assumptions to avoid fiscal discipline.

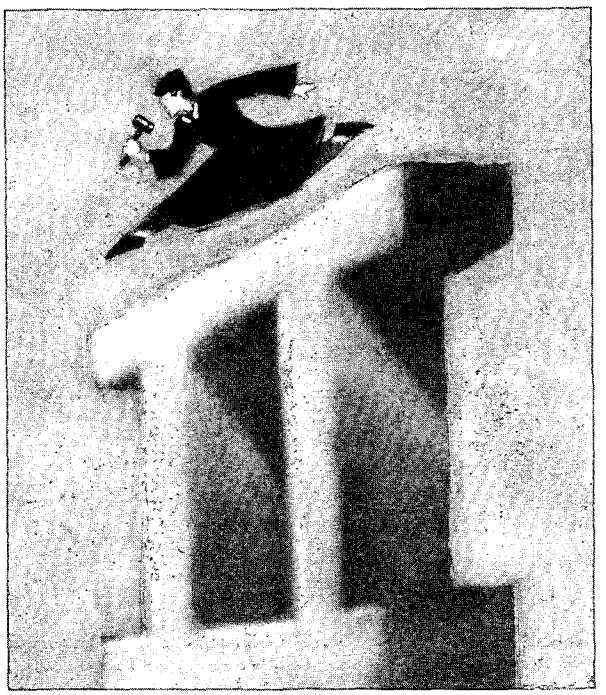
As a result of Darman's poor advice and weak performance, the Bush administration has dug itself into a deep hole. Higher taxes, more spending, and larger deficits are hardly a recipe for economic growth. Unfortunately, Darman hasn't learned from his mistakes and is lobbying inside the administration against the Social Security payroll tax cut and is resisting empowerment proposals to free individuals from the web of government dependence.

By diverting more of the nation's resources into the public trough and continuing to oppose a pro-growth agenda, Dick Darman has earned the gratitude of the Washington establishment. The taxpayers, however, will be the ones to pick up the check for Darman's binge.

Daniel J. Mitchell is the John M. Olin Senior Fellow in Political Economy at the Heritage Foundation. Andrew F. Quinlan, a freelance writer and economist, formerly served as senior economic analyst at the Republican National Committee.

GUN-SHY JUDGES

BY JACOB SULLUM



"At first glance, the machine gun issue may seem absurd," *Washington Post* reporter Michael Isikoff wrote of a recent challenge to a federal ban on the possession of automatic weapons. Try to imagine a similar observation in a news story about a case involving freedom of speech or separation of church and state. And that was in a relatively sympathetic account of *Farmer v. Higgins*.

Gun-control advocates were even less kind. "The NRA wants to legalize machine guns," wrote Richard Cohen, the *Post*'s chronically indignant columnist. "You read that right: machine guns....The zealousness of the NRA may have at last done it in."

The New Republic complained that "the NRA is trying more avidly than ever to spread deadly weapons. In a case now before the Supreme Court, the NRA, dropping the usual blather about 'sporting purposes,' is arguing that the Constitution protects every American's right to own a machine gun."

Two things are striking about the way the press handled *Farmer v. Higgins*, which the Supreme Court declined to hear in January. First, it exaggerated the role of the National Rifle Association, which was not a party to the case and did not file a friend-of-the court brief (although its legal defense fund did cover the plaintiff's expenses). Second, even reporters trying to be fair (such as Isikoff) gave short shrift to Second Amendment arguments, while commentators dismissed them out of hand.

The two points are related. For supporters of gun control, the NRA bogeyman serves to conceal issues of individual rights and constitutional law. To Cohen and the editors of *TNR*, the machine-gun case was about a powerful organization run amuck, not about a Georgia gun collector resisting government encroachment on his freedom. Judging from their glib commentary, you would never guess that a matter of principle was at stake.

This obliviousness has been encouraged by the Supreme Court's apparent indifference to the Second Amendment. The Court has not considered a gun-control case, other than those involving felons, in more than 50 years. Meanwhile, circuit courts have whittled away at the right to keep and bear arms, lending credence to those who say it no longer exists, if it ever did.

Gun owners and their defenders had hoped the Court would take advantage of *Farmer*, which involved the first federal ban on possession of firearms by nonfelons, to break its silence. But as usual, the Court left us guessing as to what meaning, if any, it will eventually ascribe to the Second Amendment: "A well regulated militia being necessary to the security of a free state, the right of the people to keep and bear arms, shall not be infringed."

As hard as it may be for gun-control advocates to fathom, J.D. Farmer, Jr., does indeed believe those words protect his right to own a machine gun. In 1986 the Smyrna, Georgia, gun enthusiast applied to the Bureau of Alcohol, Tobacco, and Firearms for permission to convert a semiautomatic HK-94 into a fully automatic weapon for his collection. Under the National Firearms Act (passed in 1934), he had to submit fingerprints and photographs, undergo a police background check, and pay a $200 tax. But the BATF turned down Farmer's application on the ground that the Firearm Owners Protection Act of 1986 had banned private possession of new machine guns.

Farmer challenged the BATF decision in federal district court, charging that the bureau had misinterpreted the law, which provides an exemption for weapons transferred or possessed "under the authority" of a government agency. He argued that this exemption included machine guns registered with the BATF. Furthermore, Farmer charged that a machine-gun ban would be unconstitutional, both because it would violate the Second Amendment and because the Constitution does not give Congress a blanket power to prohibit possession of things it doesn't like. (Previous federal gun-control legislation had been based on the Interstate Commerce Clause or the congressional taxing power, neither of which seems to apply in this case.)

U.S. District Judge J. Owen Forrester agreed that the BATF's interpretation of the law was unreasonable and therefore an abuse of discretion. He noted that "defendant's proffered interpretation presents the particularly unattractive possibility of constitutional infirmity" on both Second Amendment and Commerce Clause grounds. Forrester ordered the

TIM TEEBKEN

BATF to process Farmer's application.

On appeal, the U.S. Court of Appeals for the 11th Circuit inexplicably declared that "the sole issue is whether section 922(o) [of the Firearm Owners Protection Act] prohibits the private possession of machine guns not lawfully possessed prior to May 19, 1986." Having done away with Farmer's constitutional objections by the simple expedient of ignoring them, the court found that the statute had indeed banned private ownership of automatic weapons. "We have considered Farmer's remaining arguments and find them to be without merit," the court asserted in reversing Forrester's order.

The court's refusal seriously to examine constitutional arguments that Forrester had found plausible is symptomatic of the disdain toward the Second Amendment shown by many judges, legal scholars, and civil libertarians. As Sanford Levinson, a liberal professor at the University of Texas Law School, observed in a 1989 *Yale Law Journal* article: "For too long, most members of the legal academy have treated the Second Amendment as the equivalent of an embarrassing relative, whose mention brings a quick change of subject to other, more respectable, family members."

Partly because of this neglect, many advocates of gun control simply do not perceive a constitutional issue associated with firearm regulation. Hence they take a remarkably cavalier approach to legislation. Calling for passage of the Brady Bill, which would establish a national, week-long waiting period for handgun purchases, *The New Republic* admits that the law's impact would be minor at best. Asked if a federal ban on "assault weapons" would reduce crime, Gwen Fitzgerald of Handgun Control Inc. says, "Let's pass the law and find out."

The lack of Second Amendment scholarship has also hampered defenders of the right to bear arms. Richard E. Gardiner, director of state and local affairs for the NRA, says the shortage of academic interest is the main reason his organization has until recently been reluctant to pursue Second Amendment cases. But during the last decade researchers such as Don B. Kates, Jr., and Farmer's attorney, Stephen P. Halbrook, have marshaled impressive evidence on the meaning of the Second Amendment.

That research has moved at least one gun-control advocate, *New Republic* senior editor Michael Kinsley, to admit that the arguments of the "gun nuts" are stronger than he'd like them to be. After Levinson's article appeared, Kinsley wrote a column in which he reluctantly concluded that the Second Amendment does indeed guarantee "an individual right to own guns." He acknowledged that the traditional counter-arguments—for example, that the National Guard takes care of the "well regulated militia" and therefore of the "right to keep and bear arms" as well—are facile at best.

ACLU Executive Director Ira Glasser admits that, contrary to official ACLU policy, the Second Amendment protects an individual's right to bear arms.

Still, it remains true, as Levinson put it, that most civil libertarians simply do not have a place for the Second Amendment on their "cognitive maps" of the Bill of Rights. Asked why the American Civil Liberties Union does not defend the right to bear arms, ACLU Executive Director Ira Glasser admits that—contrary to official ACLU policy—the Second Amendment protects such a right for individuals. But he says that does not mean the government may not regulate guns. Were Congress to ban private ownership of firearms completely, he says, the ACLU would challenge the action.

This is doubtful, since the organization's policy guide declares that "the right to bear arms is a collective one....The possession of weapons by individuals is not constitutionally protected." But even if Glasser differs with ACLU policy on this point, he still wonders what all the fuss is about. Why worry about gun control when the government is threatening to cut off funding for abortions?

Glasser rejects the idea of private gun ownership as a bulwark against tyranny, since the modern state's firepower would overwhelm anything citizens could pick up in a gun shop. But as Levinson noted, "It is simply silly to respond that small arms are irrelevant against nuclear-armed states....a state facing a totally disarmed population is in a far better position...to suppress popular demonstrations and uprisings than one that must calculate the possibilities of its soldiers and officials being injured or killed."

If civil libertarians such as Glasser have difficulty understanding why law-abiding people would want to arm themselves against the government, it's because they have strayed so far from the philosophy of natural rights that underlies the Constitution. As Halbrook demonstrates in his book *That Every Man Be Armed*, the Second Amendment drew on a long tradition in British common law. The Framers valued the right to bear arms not merely for collective defense against invaders but for individual defense against both criminals and oppressive government. They understood the "well regulated militia" to consist of all citizens capable of bearing arms.

Notwithstanding the claims of gun-control advocates, the Supreme Court has never denied this view of the Second Amendment. In the most frequently cited case, *United States v. Miller* (1939), the Court upheld a provision of the National Firearms Act regulating interstate transportation of sawed-off shotguns. But the decision was based on the plaintiffs' failure to demonstrate that such a firearm "at this time has some reasonable relationship to the preservation or efficiency of a well regulated militia" (which the Court recognized to be "all males capable of acting in concert for the common defense").

By implication, the plaintiffs might have prevailed had they shown that a sawed-off shotgun is a weapon suitable

for militia use. Hence the reasoning behind *Miller* runs directly counter to conventional gun-control wisdom, i.e., that it's OK to ban "military-style" weapons. Under the *Miller* test, such firearms, including "assault rifles" and machine guns, are clearly covered by the Second Amendment.

The Supreme Court has also undermined the old gun-control canard that the Second Amendment does not apply to individuals. In the 1990 case *United States v. Verdugo-Urquidez*, a unanimous Court made it clear that the phrase *the people* means the same thing in the Second Amendment as it does in the First, Fourth, and Ninth amendments: "a class of persons who are part of a national community." (Not, as the ACLU would have it, "the collective population of each state for the purpose of maintaining an effective state militia.")

The *Verdugo-Urquidez* decision was one reason that Second Amendment defenders hoped for a favorable ruling in *Farmer*. The gratutitousness of the machine-gun ban also seemed to work in Farmer's favor. BATF Director Stephen E. Higgins had admitted in congressional testimony that registered machine guns are not a law enforcement problem. "There's not a documented case since 1934 of the misuse of a registered machine gun by a private citizen," Halbrook says.

But given that the Supreme Court grants only about 1 in 100 requests for review, Halbrook was not surprised that it declined to hear *Farmer*. He says the Court may be waiting for more discussion of the Second Amendment at the circuit level before considering another gun-control case. On the other hand, "if there was something comparable to this involving the First Amendment"—say, a ban on certain kinds of magazines because they are particularly prone to libel—"they would take it," Halbrook says. "This case would have been a golden opportunity for them to address the black sheep of the Bill of Rights—the one amendment that they don't want to talk about."

Jacob Sullum is assistant editor of REASON.

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SOCIALISM'S LAST LAUGH

In New York City today, there is no law so untouchable, no topic as emotionally charged or closed to discussion as Rent Control. So when Scott Gardner wrote a book critical of the Big Apple's fifty-year-long "temporary wartime measure," he violated a sacrosanct taboo.

To make matters worse, his book, *"Live Rent-Free For Life,"* is not a dull economic text but a hilarious satire that dares to poke fun at the "humanitarian" system that was supposed to help the poor, but has turned into a free handout for the rich. As a result, this incisive little book has turned into a great big embarrassment for New York's lawmakers and a great big laugh for the rest of the country. But Gardner makes his point with such engaging good humor and comic inventiveness, you actually enjoy the devastation he wreaks among landlords, tenants, bureaucrats, and politicians alike.

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Among many other riotous tidbits read "Beyond Chaos," a merciless description of a housing agency completely bogged down in inefficiency and red tape, and how this chaos makes it feasible and legal for every New York tenant to stop paying rent forever. And in a diabolical socko finish, "Mein Krampf," delivers a monologue strangely reminiscent of Hitler's rantings as it describes rent control's "final solution" to the city's age-old "landlord problem."

"Live Rent-Free" is the first book ever written that rips the mystique away from the Big Apple's liberal facade and exposes the rotted core of what is perhaps New York's most destructive, possibly its costliest, but certainly its dumbest law.

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HOUSE OF HOPE

BY BRYAN MILLER

You could call her a miracle worker, but she'd probably laugh out loud.

Sister Connie Driscoll single-handedly reduced the number of homeless in the city of Chicago by two-thirds, and she did it without adding a single bed. No miracles were required; the Roman Catholic nun accomplished this feat by the simple expedient of creating a more efficient reporting system.

Sister Connie Driscoll (right) provides Chicago's homeless with a place to stay and the principles of individual responsibility.

What Driscoll actually reduced was the city's numbers of reported "turnaways," those who aren't admitted to shelters because no beds are available. Under the old system, if a woman tried to get lodging at two shelters and was turned away, but was admitted at a third, she was still counted twice as a turnaway.

"In September of 1988, we showed 6,000 women and children turned away from shelters," Driscoll recalls. "And when that figure got that high, I said, 'C'mon. Enough is enough. Let's find out how many of those are duplications.' " So she developed reporting sheets that give the date, the initials of the women, their dates of birth, and the number of children they have; every shelter fills the sheets out and turns them in regularly. They also send in lists that show who's currently in each shelter. By September 1989, the turnaways were down to 2,120.

There are solutions to the problems of the homeless, solutions that don't require the intervention of government, private solutions that work. Sister Connie Driscoll and Sister Therese O'Sullivan of the St. Martin de Porres House of Hope in Chicago's Woodlawn neighborhood have been proving it every day for almost eight years. They base their work on the principle of individual responsibility.

Driscoll and O'Sullivan founded their shelter for homeless women and children in 1983 on tough-love principles. If you want to stay here, you have to keep your area clean. You have to sign up for and perform chores. You have to take care of your children. You have to take classes, both GED classes and classes in "life skills." Many women, says Driscoll, don't know how to do laundry or go shopping. You have to save 70 percent of your public aid checks, so you have a stake when you leave.

It works. In the last seven years, over 6,000 women have passed through the doors of St. Martin de Porres. Driscoll claims that only 6.5 percent of her charges have returned to the shelter system; for the Chicago system as a whole, 38.9 percent will return to a shelter. The 140-bed shelter runs on a $240,000-a-year budget. To remain independent, Driscoll takes no money from any branch of government or even from the church. The nuns run a separate facility for pregnant and parenting teens on the same principles.

The money for all this comes from individuals (the nuns take no salary), from private foundations, and from Driscoll's speaking engagements. The staff of 10 (five of them ex-residents) is loyal, despite low wages. "If you want to make a lot of money, obviously you're not going to come to work for me," observes Driscoll.

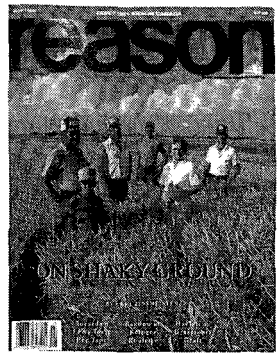
Driscoll, a Missionary Sister of the Poor, doesn't match most people's mental image of a typical nun. She is outspoken. The black patch over her left eye and the long brown cigarettes she smokes give her a faintly piratical air. The remaining bright blue eye gleams with intelligence, humor, and, when she gets going, fire. A one-time lawyer, she decided she didn't care for the law a long time ago. She became a nun in 1982; several years ago, she and O'Sullivan adopted a baby girl. She's also a statistics freak—she's been tracking the women who stay at St. Martin via computer since opening the shelter and now keeps the figures for the entire city of Chicago. The numbers are all on the tip of her tongue.

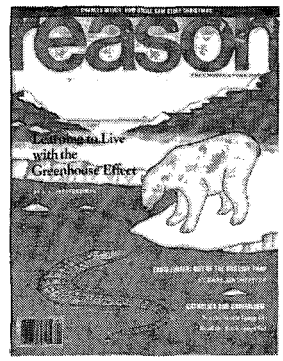
One number she declines to give is the number of homeless in Chicago: "There are so many variables." For instance, in Cook County, prisoners can't be required to sleep on cots in jail—but they can sleep on cots in homeless shelters; court-ordered releases swell the numbers of male homeless on a regular but artificial basis. Runaways, prostitutes, drug and alcohol abusers, battered women, and those who are just between apartments for a few days are all included in the official count of the homeless population.

The average length of a stay at her shelter is 76 days, but, notes Driscoll, that

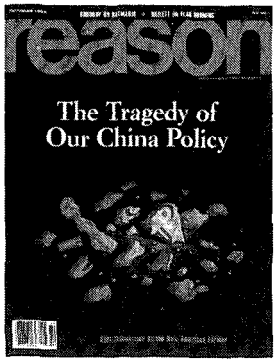
LLOYD DEGRANE

"Government agents befriended traders, visited their homes, and shared their meals. They attended their parties, played with their children, and won their trust. They deluded the defendants and then ensnared them in order to prosecute them for the moral equivalent of jaywalking."
—TRADER X, "SNARING THE CHICAGO 46"





"Every five years in Peru we have elections. We elect a dictator every five years. You've confused it with democracy, and so have we."
—HERNANDO DE SOTO, "WHAT'S WRONG WITH LATIN AMERICAN ECONOMIES"



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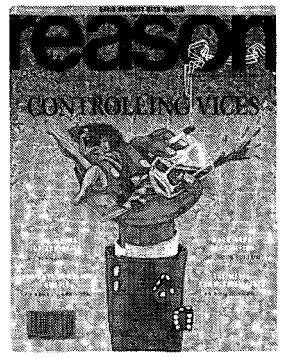

"When the law determines vice and virtue, everyone competes to determine the law. We end up with a struggle between those who can't tolerate the idea that anyone anywhere is having fun and those who can't tolerate the idea that anyone anywhere disapproves of their fun."
—VIRGINIA I. POSTREL, "SIN AND DECADENCE"

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—ANDREW FERGUSON, "APOCALYPSE WHENEVER"

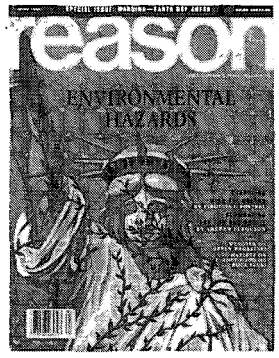

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figure tells only a partial story; stays vary by season and by group. The most difficult to help are the long-term homeless, frequently women who were pregnant for the first time at the age of 15, who may now have several children, substance abuse problems, and next to no education. "They are now third-generation welfare recipients and have not really set any goals or patterns in their life. They stay here much longer than the others."

But they can be helped—and often are. "We have lots of success stories," declares Driscoll. "Many of them still live in the community. Many of them are employed. They're living in their own homes and have been stabilized for years. Many of them are off welfare and doing extremely well. I don't think a day has gone by in over six years that ex-residents have not checked in with Sister Therese, just to say, 'Hi, how ya doin'?' "

Juanita Green is a two-time success story. The 35-year-old daughter of a black middle-class family, she had a degree in accounting and a responsible position with a major Chicago hospital, along with a house, a car, and a family. Then she got into freebasing cocaine.

Fired from her job, she found others easily enough but couldn't keep them. After three years in a downward spiral, she got into a detox program and then into St. Martin de Porres. Driscoll recently hired her as an outreach worker, to help former residents maintain their apartments and budget their money. Green and her two daughters—a toddler and an infant—will live at the shelter, though: "It keeps me out of temptation."

"Sister Connie is about helping women and doing it on an individual basis," says Patricia Carr, who also knows from firsthand experience. She moved to Chicago from Peoria, had no place to go, and found herself at St. Martin. She stayed for six months. For almost three years, she's been the secretary for the local Roman Catholic parochial school, handling all the money that comes in.

"It was quite a risk for the priest to take, to hire me," Carr says. "There are labels on shelter people.

"It's important to stress the spiritual aspect—it's not so much that they're bringing religion to everyone there, but that they're role models. They live Christian values."

Carr also appreciates the emphasis on personal responsibility: "I have a firm belief that no one saves you but yourself. You can reach out when you're drowning, and someone may help you—but finally you have to save yourself."

If residents are enthusiastic about Driscoll, most advocates for the homeless in Chicago are a little more reluctant with their admiration: Sister Connie gets results, but she isn't politically correct. Conventional left-liberal wisdom holds that government simply needs to provide more housing, and the problem will disappear. Driscoll disagrees.

"People wouldn't talk about the fact that in all of this population there was such a serious problem with drugs and alcohol and lack of personal responsibility and accountability," says Driscoll. "They just kept screaming that it was all housing, and as soon as we build houses for everybody in the United States, everybody's going to live happily ever after. Well, we all know that isn't true." She believes that too many self-styled advocates for the homeless are involved only peripherally with the real-life people and situations.

"I think she's sending a very bad message to the public when she says that other things are more important than housing," says Doug Dobmeyer, executive director of Chicago's Public Welfare Coalition. "When housing is unaffordable, I can understand why people might get into drugs or alcohol to escape those problems." Dobmeyer, a self-described "progressive," labels Driscoll's call for less government involvement "a total crock."

"Sister Connie is a somewhat controversial figure within the community of advocates," says Jo Holzer, president of the board of the Chicago Coalition for the Homeless. "A lot of people feel that some of her approaches are simplistic." Holzer calls Driscoll "a remarkable person, one who takes a very tough-minded approach. There are many in the field of social welfare who don't take a tough-minded approach—what we're always hearing referred to as the 'bleeding-heart liberals.' " There is, Holzer suggests, a certain amount of resentment over Driscoll's assertiveness and strongly held and expressed opinions.

Holzer points out that Driscoll was one of the first to recognize the problem of "coke babies," and she salutes her "tremendous contribution" in reducing the turnaway count. "I'm glad she's there. Sometimes people agree on the goal, but disagree with the path—but her heart's in the right place. She's a strong resource for homeless people who need very clear rules."

Driscoll says she doesn't see any one answer to the problems of the homeless. "I think the entire public welfare system has to be revamped. I think the public welfare system does everyone a disservice—the people who are paying for it and the people who are using it—because it really does lock people into poverty."

Driscoll notes that public aid was originally supposed to be a temporary, stopgap measure. Now, she says, it doesn't make financial sense to get off welfare and take a minimum-wage job. So abuses of the system are inevitable.

She stresses that she isn't talking about abuse of the welfare system by its clients, but about the basic weaknesses of the system itself. "When you're living in deep, deep poverty, what constitutes abuse? Whenever you hand out a dole to someone and don't require a responding, positive action from them—other than to sign their name and cash the check—then, I think, we do a disservice to everyone. And when that money is then used irresponsibly, not because they intentionally do it, but because they don't know any other way, can we be surprised?"

She suggests a less open-ended system and can predict the lines of the protests: " 'The children are going to suffer.' And I know we have to take that into account. But I still think that people should only have x number of months where they would be entitled to public welfare, and they have to show progress toward get-

ting off of it."

One model might be Illinois's unemployment compensation scheme, in which people who lose their jobs receive money for a limited amount of time, can earn up to half their benefits before they're docked, and have to demonstrate that they're trying to find work. Driscoll also suggests direct-payment voucher systems for landlords and grocery stores.

Driscoll is, she cautions, speaking in generalities: Plenty of those who find themselves on public aid would like to get off it but don't know how. She's hoping for a new emphasis on education in shelters, "if you can get the liberal left to get off the bandwagon about 'You can't force people to do things because you think it's right.' Well, maybe they can't, in publicly operated shelters and publicly funded shelters. But, as a private shelter, we can make it a part of our contract—and we do."

Driscoll predicts that other shelters will begin to emulate her methods, now that state and national groups have begun to recognize St. Martin. The National Alliance to End Homelessness, for example, has named the shelter one of eight model programs in the United States in its book *The Checklist for Success: Programs to Help the Hungry and Homeless.*

Plans for expansion of St. Martin de Porres are under way. Rather than increasing the number of beds, however, the shelter will use the added room to improve its program. The 4,100-square-foot addition will include a children's playroom, a preschool classroom, counseling rooms, a resale shop for job training, a GED classroom, a medical clinic, a women's lounge, and additional laundry facilities.

So far, however, Driscoll hasn't lined up funding for the mammoth project. "Like everything else, it'll come," she says. "It's always been our position that if God wants this place to go, then God's going to have to provide the means for it to happen. And so far, it's worked."

Bryan Miller is a Chicago-based freelance writer.

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COLD TURKEY

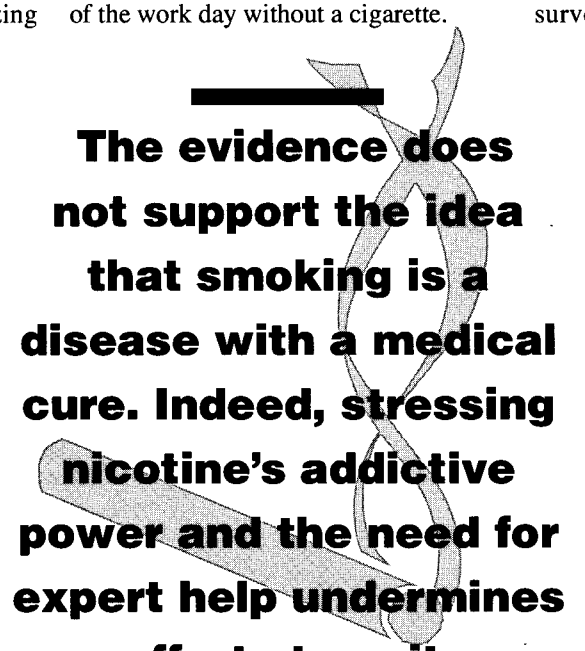
BY STANTON PEELE

Surgeon General C. Everett Koop's 1988 report on the health consequences of smoking compared nicotine addiction to a heroin habit. "Recognizing tobacco use as an addiction is critical...for understanding why people continue to smoke despite known health risks," the report says. "Tobacco use is a disorder which can be remedied through medical attention."

There are good reasons to call smoking an addiction. Many smokers have a strong desire for nicotine, develop tolerance for its effects, and suffer withdrawal symptoms without it. In several surveys, addicts and alcoholics in treatment have said that cigarettes were tougher to give up than crack, cocaine hydrochloride, or alcohol. But the evidence does not support the idea that smoking is a disease with a medical cure. Not only is that approach misleading, stressing nicotine's addictive power and the need for expert assistance undermines efforts to quit.

While some 46.5 million Americans smoke, the Centers for Disease Control report that nearly as many—44 million—have kicked the habit. Furthermore, over 90 percent did so on their own, without any formal treatment program. Now if we could only learn how more than 40 million Americans gave up cigarettes, we would know the most successful method ever used for quitting addiction. It turns out that good information, social forces, and concern for one's health work better than any kind of treatment.

To begin with, the government, the news media, and national health organizations publicized accumulating evidence that smoking is toxic. At the same time, individuals and employers began to disapprove of smoking and smokers. In many companies, smoking actually impaired one's chances for promotion. Employees sometimes had to hide their smoking or restrict it so dramatically that they went through most of the work day without a cigarette.



The evidence does not support the idea that smoking is a disease with a medical cure. Indeed, stressing nicotine's addictive power and the need for expert help undermines efforts to quit.

Meanwhile, smokers' friends and families began indicating that smoking was abhorrent to them. They expressed concern about smokers' self-destructive behavior and complained that tobacco smoke was annoying and disgusting. (As techniques for quitting, try having your small daughter cry every time you come home, "Daddy/Mommy, I hate that you're killing yourself," or having your spouse refuse sex until you stop:)

Of course, these efforts at personal persuasion haven't made everyone quit. Advising and pressuring people to quit smoking works (in the long run) only about half the time. Why doesn't social pressure work better? For one thing, the pressure is felt unevenly. In many groups, such as working-class adolescents, smoking retains its cachet. Smoking is more accepted in some occupations than in others. When I looked for a new car last year, every salesman I saw smoked cigarettes. According to one survey, almost half of all waitresses smoke, compared with fewer than one in 10 doctors.

Epidemiological data from the CDC and other sources support these impressions. The pattern resembles that of cocaine use: After much publicity about the negative effects of cocaine, middle-class experimentation has declined dramatically, while inner-city addiction has remained high and even intensified in some areas. Similarly, the percentage of former smokers among those who ever smoked is highest for college graduates (60 percent). While about 16 percent of college graduates continue to smoke, the smoking rate for those without a high school diploma is 36 percent.

One way to think about these discrepancies is to imagine the function smoking serves; many people use it as a way of rewarding themselves during the day. If you are relatively affluent, you can substitute other rewards: "I'm having a tough time today, but I'll go out for dinner with my wife or play tennis tonight to make up for it." If you're poor, smoking may seem the most ready alternative. Many smokers accept the risks of their behavior in exchange for the benefits they receive.

But for those who want to quit, some methods clearly work better than others. A recent national survey by the CDC found that, of smokers who had tried to stop in the previous decade, "47.5% of persons who tried to quit on their own were successful whereas only 23.6% of persons who used cessation programs succeeded." I hear skeptics saying, "I bet the ones who entered the programs were more-addicted, heavier smokers." Wrong. According to the researchers,

"Daily cigarette consumption...did not predict whether persons would succeed or fail during their attempts to quit."

Overall, smokers attending treatment programs were twice as likely to fail as those who did it on their own. These programs included Smokenders, which relies on group exhortation combined with some behavior-modification techniques. Nicotine gum was the least effective method. Ironically, this is also the most heavily advertised method. Merrell Dow, maker of Nicorette, has bombarded the media with ads explaining that nicotine addiction is a form of chemical dependence. Because of the "physical dependence on nicotine," the ads say, "your chances of quitting successfully are greater with a program that provides an alternative source of nicotine."

A clinical study published in *The Journal of the American Medical Association* in 1989 tested this proposition. At the end of a year, smokers given Nicorette were not significantly more likely to be off cigarettes than those given a placebo gum.

A Merrell Dow spokesperson immediately declared that calling the gum ineffective because people were smoking a year after taking it was "like blaming an antidepressant [medication] if a person gets depressed again a year after discontinuing the drug." The manufacturer seems to expect "patients" to continue taking nicotine in gum form forever. While this might help them stay off cigarettes, it wouldn't be a cure for nicotine addiction.

How do smokers succeed in quitting on their own? Surveys reveal that most ex-smokers say something like, "I decided I had had enough, so I threw my last pack of cigarettes away." Many begin smoking again. But over the long run, half of those who have smoked—including many who relapse one or more times—eventually achieve their goal of a nicotine-free existence. When psychologists ask people what cognitive techniques they used—what mind games they played—they find ex-smokers employ just about every trick under the sun. Only one such method didn't work well for at least some smokers: negative and self-punitive thoughts (for example, "I'm a self-destructive wimp who is a slave to nicotine").

One reason crutches such as Nicorette are so unsuccessful may be that they reinforce people's beliefs that they can't succeed on their own. Along with a desire to stop smoking, the most important ingredient in quitting seems to be the belief that you *can* succeed, that you can live and function without cigarettes. When a program strives to convince you how overwhelming your addiction is and tells you that you'll never be able to overcome it on your own, it isn't surprising that the results are so dismal.

Contributing Editor Stanton Peele is a psychologist and health-care researcher.

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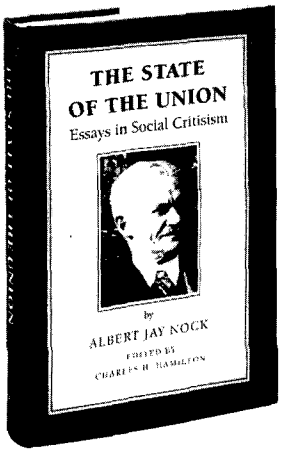

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PEELING THE BIG APPLE

BY MARTIN MORSE WOOSTER

Most of America's older cities are in decline. Detroit is the most depopulated; Washington, D.C., the most violent; Philadelphia, the closest to bankruptcy. But New York is the only American city with a national reputation. Its leaders are national figures; its struggles are reported by journalists from around the world. Few Americans care about local politics in Chicago or Los Angeles, but everyone has an opinion about New York.

A recent editorial in the *Philadelphia Inquirer* explained the roots of our love and fear of the Big Apple. The editorialist confessed that he doesn't like to read stories about crime in his own city, but he enjoys reading about New York thugs. Hometown crime, he said, is depressing. New York crime...well, that's *theater*.

It's the melodramatic nature of New York life that makes the city endlessly fascinating to those of us in the provinces. Compare new arrivals to New York City with their counterparts in Washington, D.C. People come to Washington to be conformists, to join a collective crusade with people who dress, think, and act exactly as they do. People come to New York in the hope that the city can become the backdrop for the drama of their lives.

Washingtonians yearn to be courtiers; New Yorkers strive to become products one cannot live without. If the Washingtonian desires to be as provocative as a government report, the New Yorker wants her life to be as packed with incident and adventure as a Victorian romance. Other cities can barely manage a campfire of the vanities, but New York always offers a full and hearty bonfire.

Most writers describe only a portion of New York life. But Joan Didion, in the January 17 *New York Review of Books*, attempts to capture the voice and spirit of the city as a whole. The center of Didion's article is the affair of the Central Park jogger. For the first half of her piece (lengthy even by *NYRB* standards), she describes the basic facts of the case, how the jogger was assaulted by a gang of brutal thugs who nearly killed her. The case interests Didion because it is Rife with Mythic Significance. The jogger was raped and beaten in Central Park, so Didion gets to give us the history of the park, "an artificial pastoral in the nineteenth-century English romantic tradition."

Then she discusses why New Yorkers don't like to compete; how bribes have ensured that the city has few supermarkets (a supermarket, she helpfully explains, "is a market that does an annual volume of two million dollars"); why Mexico City is more efficient than New York; why the city bans trash compactors ("a kitchen appliance accepted throughout the rest of the United States as a basic postwar amenity"); the experiences of innocent tourists maimed by thugs; why blacks feel paranoid about whites; the curious history of the Rev. Al Sharpton; and many other subjects.

Didion's prose is the literary equivalent of unflavored yogurt. It is digestible, nutritious, and naturally sour. But the hard edge her work had in the '60s has been lost. She does not interview anyone, content to hide in the library and flood the reader with information. Further, her conclusions are hardly original. "What is singular about New York," she writes, "is the minimal level of comfort and opportunity its citizens have come to accept." (The city doesn't work very well.) "It was only within the transforming nature of 'contrasts' that both the essential criminality of the city and its related absence of civility could become points of pride, evidence of 'energy.' " (Crooks love New York.) "This perception that something was 'wrong' in New York had been insidious, a slow onset illness at first noticeable only in periods of temporary remission." (The city doesn't work very well.)

The problem with Didion's article is that she offers no solutions and no diagnoses of how New York became as decayed as it is. Such an article would be difficult to write, as the author would have to combine the literary talents of a great novelist and the analytic skills of a master social scientist, the strengths of Tom Wolfe and Charles Murray. But articles can be helpful if they provide case studies of New York's decline. Take Peter Hellman's "How to Cut the Budget" in the January 21 *New York*.

Hellman notes that while New York City's population in the 1980s stayed constant at 7.3 million, the city boosted its workforce from 292,000 to 363,000 and its budget from $13.3 billion to $28.1 billion. As developers and banks fail, the city's tax collections are steadily falling,

BOB ECKSTEIN

and New York is already the most taxed city in America. (The combined state and local income-tax rate for New Yorkers earning over $12,400 is 11.5 percent; citizens of "Taxachusetts," by contrast, pay a 5-percent income tax.) But Hellman reveals that these taxes, rather than funding useful services, give New York municipal employees some of the most generous benefits in America.

Many of these perks were provided before and during New York's last financial crisis in the late 1960s and the 1970s, as mayors John Lindsay and Abe Beame gave the unions goodies to prevent strikes. For example, 120 people work full time for city-employee unions, but their wages (totaling about $3.6 million) are paid by taxpayers. At school headquarters, six employees of the American Federation of Teachers get government salaries; the union pays another 27, but the city provides their pensions. Why should unions get tax subsidies? According to one of John Lindsay's executive orders, such work is "time devoted to the public interest."

Not surprisingly, New York unions act not in the public interest but in their own interest. Many of the stories of union waste, fraud, and chicanery Hellman tells have to do with the Patrolmen's Benevolent Association, the city's main police union. Thanks to PBA negotiators, New York cops get two days off every time they donate blood. When a cop has to meet with an assistant district attorney to discuss the details of an arrest, his visit usually involves a 14-hour wait in "one of the sorriest sights in all city government"—a waiting room where the police "snooze, snore, munch, and play cards for hours on end" while making $29 an hour in overtime pay.

But the union most successful at negotiating cushy deals for its members is one of the city's most obscure—the school custodians' union. The custodial contract, says Hellman, is "the most egregious of all city labor agreements." Until recently, he reports, custodians could demand massive "admission fees" to keep schools open in the afternoons. These fees have since been turned into a $6,000 increase in salary, but school officials still have to pay huge amounts for routine chores not covered in the union contract. One school board member was charged $400 by a custodian to open a school at night—even though the board member had a key to the front door.

Even when custodians decide to take on extra work, other unions block them. Recently the school custodians agreed to paint 20 percent of the city's schools each year. The painters' union sued, and the custodians agreed to paint only to a height of 10 feet—which, in old schools with 14-foot ceilings, left four feet for the painters.

The antics of the school custodians are perhaps trivial, but they suggest a wider problem. Taxes, bureaucracy, and unions have clearly clogged New York's economic, cultural, and social arteries. But while most commentators contend that the city will likely suffer the financial equivalent of a massive coronary, Peter Salins, in the January 21 *New Republic*, observes that the city, while sick, is far from dead.

It's the melodramatic nature of New York life that makes the city endlessly fascinating to those of us in the provinces. New York has a vibrancy and flair most cities lack.

Salins, a professor of urban planning at Hunter College, notes that New York City is still a haven for immigrants. With only 3 percent of the nation's population, the city attracts 15 percent of America's immigrants. These new arrivals—Koreans, Vietnamese, Middle Easterners, Russians, and Hispanics from many nations, help New York in two ways. First, they create jobs and enrich the economy. In the 1970s, 40,000 apartments were abandoned in New York each year; in the 1980s, immigrants reclaimed once depopulated areas, with the result that "housing abandonment has been reduced to a trickle."

Second, the diversity of these immigrants lowers the odds that New York's melting pot will be replaced by ethnic voting blocs. Only 24 percent of New Yorkers are black, the lowest percentage of any major city east of the Rockies. David Dinkins, argues Salins, was elected not because of his skin color but because Hispanics, Jews, and whites found Dinkins's promise "to rise above racial politics" attractive.

Salins, appropriately, is a contributor to *NY*, a new Manhattan Institute quarterly that includes a dose of optimism in every issue. *NY*—a cross between *The Public Interest* and *The New Yorker*, combining reporting and analysis of social problems with cultural critiques—has at least one article in each issue about improvements in the city.

In the winter issue, Roger Waldinger, a sociologist at the City University of New York, notes that immigrants have revived New York's garment industry. For example, at least 250 Korean firms make clothes; their small size ensures that they can quickly shift their production lines to meet the needs of the rapidly changing women's fashion market. Far from being a "quaint relic" of the past, says Waldinger, "the health of the industry is a vibrant indicator of the city's strengths." In the same issue, George Kelling, a professor of criminal justice at Northeastern University, discusses ways that New York's subways have been made safer and cleaner without excessive spending or needless infringement of people's rights.

At its best, New York has a vibrancy and flair most cities lack. As Salins observes, the city may be an "ethnic cauldron," but such bubbling activity is far better than the fate of most American cities, where urban renewal and zoning have created "newly rehabilitated but half-empty downtowns surrounded by a sea of physical, social, and population decline."

Martin Morse Wooster is the Washington editor of REASON.

Depth Charge

BY LOREN E. LOMASKY

Liberal Virtues: Virtue and Community in Liberal Constitutionalism
By Steven Macedo, New York: Oxford University Press, 306 pages, $29.95

The judiciary does not always uphold liberal principles: The U.S. Supreme Court approved the WWII internment of Japanese Americans.

Your path to this issue of REASON was strewn with hurdles. Publishers Clearing House tantalized you with a hundred alternative magazines and the lure of a $10-million jackpot. Also competing for your leisure hours were a handful of TV networks (dozens more if you're wired for cable), book dealers and movie theaters, newspapers ranging from the *Wall Street Journal* to *National Enquirer*, Blockbuster Video's array of new releases, and the death-dealing hordes of Nintendo. No, it wasn't easy to get here; the editors and I wish to congratulate you for your tenacity.

There are others, though, who do not. Instead, they offer a blend of sympathy and malediction. The well-nigh endless mélange of choices and decisions open to citizens of modern liberal societies is, they contend, more affliction than blessing. Liberalism fallaciously supposes that extensions of freedom must enhance human happiness. The fallacy results from forgetting that it is not the *range* of choices open to us that genuinely matters but rather their *depth*. If everything and anything is available for selection in the consumer arcade of contemporary life, then it is equally the case that everything is rejectable. No values are felt as compelling one's allegiance.

But how can lives of significance be erected on such shifting foundations? When Martin Luther defiantly asserted to the Diet of Worms, "Here I stand. I can do no other," his confession of the inescapability of his commitment was simultaneously a proclamation of its momentousness. "Here I stand, but it's negotiable," lacks similar luster. The charge is not that freedom is utterly dispensable. Without doubt, the life of a slave or lackey is impoverished. However, possession of liberalism's *summum bonum*, a boundless range of options, is anything but a guarantee that one's life will be graced with goodness, satisfaction, and meaning.

Who are these critics of liberalism? Interestingly, they spring from both sides of the political spectrum. The New Right fulminates at the liberal refusal to allow communities to give effect to their moral values through legislation that privileges traditional ways of life affirmed by the majority, while "communitarians" of the left rail at the vacuity and tawdriness of a culture that spins to a capitalist ethos. To be sure, their specific political programs differ in predictable ways: One side wants to bring God back into the schools while the other wants dead white men out. They are united, though, in trumpeting the virtues of a monolithic populism against the diversity and open-ended experimentation that liberal society breeds.

Stephen Macedo is also concerned to make the case for virtues, but, as the title of his important and arresting book indicates, those he defends are specifically liberal virtues. It is a mistake of the first order, he argues, to equate the refusal of a free society to impose a majority-favored credo on dissenters with programmatic skepticism about values or, worse, moral nihilism. Liberalism does take values seriously, so much so that they are put off limits to the whims of whichever faction happens to have a grip on the political levers. Instead, it is left to individuals to formulate, act on, and advocate the conceptions of the good they find compelling.

In a liberal order differences are not classified as heresies, and the claims of a minority are not automatically defeated by demonstrating, "There are more of us than you." Those claims can be defeated—Macedo is no anarchist—but only through a politics of public justification. That is, individuals may be constrained to comply only with those policies for which there are good reasons, reasons good from the perspective not only of the constrainers but of the constrainees as well. To be sure, even the most scrupulous practice of public jus-

BETTMANN ARCHIVES

tification does not ensure wise results, and even less does it guarantee universal persuasion. The chances of converting members of the American Nazi Party to respectful toleration of Jews and blacks are slim. The point, though, is that even the unreasonable may not be restrained unless there is compelling reason to do so.

The institutions of a free, self-governing society, Macedo argues, merit our allegiance because they promote public justification over the blunt exercise of *force majeure*. Aspirants for public offices run on platforms for which they can be held accountable by the voters in subsequent electoral contests. Even when candidates court the favor of special interests, success will usually require them to phrase their pitches in the language of a common good. This may be no more than the hypocritical tribute that vice pays to virtue, but it is noteworthy that this tribute is necessary even in the hardboiled arena of practical politics. Voters may be self-interested, but, apparently, one of their interests is to be governed in a principled way.

The deepest expression of these principles is found in a polity's basic law, and thus the articles of its constitution are not merely a listing of the rules of the political road but rather an expression of moral ideals and, in the case of the U.S. Constitution, specifically liberal ideals. That is why, *pace* Robert Bork, wide-ranging judicial review is not the illicit blocking of the will of a majority by an unelected elite but rather a necessary underpinning of liberal self-government. We do not wish our cherished projects to be held hostage to the currents of shifting majorities, and thus we endorse scrutiny of particular pieces of legislation by those who possess expertise in determining whether these are consistent with the protections embodied in the supreme law.

Because judges have special training in legal interpretation and are shielded from the force of electoral gales, they occupy a special role with respect to constitutional interpretation. However, they are not the only ones called on to bring constitutional principles to bear on political controversies. Other officials are sworn to uphold them as well, and even ordinary citizens, insofar as they take part in political debate, are participants in a reason-giving enterprise guided by moral ideals.

This is a story that has been told before—by, among others, Macedo, in his earlier *The New Right v. The Constitution.* Here he supplements an account of the institutional foundations of liberal politics with a penetrating discussion of the contours of liberal personality. Like Plato in *The Republic,* Macedo argues that there is an isomorphism between the makeup of a regime and the predominant character of its citizens. Liberal political institutions are formed by individuals and in turn form them. Under their tutelage we develop "a reflective, self-critical attitude, tolerance, openness to change, self-control, a willingness to engage in dialogue with others, and a willingness to revise and shape projects in order to respect the rights of others or in response to fresh insight into one's own character and ideals."

In a liberal order the claims of a minority are not automatically defeated by demonstrating, "There are more of us than you."

The critics have it wrong; liberalism is not a valueless framework within which all values may play themselves out. It is decidedly non-neutral between tolerance and bigotry, rational suasion and inarticulate rage, autonomy and rote conformity. The disinclination of liberals to bludgeon deference is misidentified as an indicator of moral bankruptcy. Rather, liberal politics is founded on a morality of respect for persons as rational, self-determining beings. Liberalism does not cripple the search for meaningful activity, because liberal ideals are themselves fully capable of inspiring an ennobling allegiance.

Liberals, Macedo observes, have an unfortunate tendency to "minimize what they stand for and to evade their ultimate commitments." *Liberal Virtues* is an important book because it addresses these commitments head-on. Macedo does not situate them in some theorist's utopia; he argues at length that they inform contemporary American political life. Would that it were so; his depiction of our political processes has a marked utopian gloss. If commitment to open, rational justification is the cornerstone of a free polity, how are we to characterize a government in which distinguished senators scurry through the marshes of the bureaucracy to run cover for a banker who has laced their pockets with six-figure campaign contributions and, when called to account, contend that everyone does it; in which not even a team of Evelyn Wood graduates could keep up with all the statutes and regulations that spew out of Washington; in which legislators congratulate themselves for taking tough deficit-cutting measures in a budget that happens to provide a half million dollars to fund a national Lawrence Welk museum; in which a man who successfully campaigns for the presidency on lips irrevocably proclaiming "No new taxes!" breaks the pledge a few months later, and is then congratulated for his "statesmanship" rather than brought up on impeachment charges? If this represents ultimate commitment, God spare us from laxity!

Macedo is aware of such falls from grace, but he nonetheless opposes the "cynical model" of politics. Because legislative and executive lapses are not exactly unexpected, he finds all the more reason to endorse strong judicial review. But the functioning of the judiciary is not necessarily balm to liberal ideals. A Supreme Court countenanced the internment of Japanese-American citizens in concentration camps and needed more than half a century to rescind the opinion that "separate but equal" is consistent with constitutional principles. Since the 1930s it has viewed with equanimity governmental assaults on private property. And the most recent appointee to the Court gained that office primarily on the credential of never, in an extended public

career, having uttered or written anything that conveyed a hint of where he stood on any public issue. These ruminations do not demonstrate the unworkability of a politics of public justification, but they do indicate that it is less adequately embodied in American practices than Macedo implies.

Liberal Virtues is meant to rouse liberals to confront the attacks of opponents. Perhaps to rally as many as possible to the defense, Macedo is vague, even coy, concerning which version of liberalism most adequately nurtures the virtues of free people. Hence he argues for the importance of economic liberties but qualifies this brief with the assertion that "legislators may often be justified in overriding the economic liberties of particular business groups in order to pursue a conscientious vision of the common good." This is not merely to open a Pandora's Box but to manufacture it. What Macedo signally fails to see is that liberties are important not only as protections against the thoroughly unscrupulous but even more so against those who burn with zealous visions of what is good for others.

Similarly, Macedo maintains that respect for rights is important but cautions, "Liberals need not be rights absolutists....Social insurance, drug laws, and automobile safety requirements are among the ways that modern states require people to do or buy things for their own good....Liberals are certainly people who try to minimize interferences with personal freedom, including risk-taking, but liberals need not be people who categorically reject every vestige of paternalism and perfectionism."

Attempting to be "moderate," Macedo creates a muddle. There may be something to be said on behalf of Social Security, George Bush's war on drugs, and seat-belt laws, but they certainly do not "minimize interferences with personal freedom." They *do interfere*; that is precisely their point. How can a commentator as astute as Macedo miss what should be obvious?

I suspect this fuzziness is a consequence of his trying to broaden the base of potential supporters beyond those who espouse a classical liberalism. The strategy is ill-chosen; one does not inspire allegiance to the principles of a free society by dipping them in pablum. *Liberal Virtues* is, then, not without flaws. On balance, though, it represents a notable contribution to the project of public justification it endorses.

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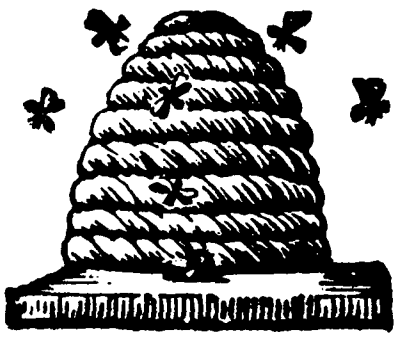
The Capitalist Evolution

BY MARTIN MORSE WOOSTER

Bionomics: The Inevitability of Capitalism, by Michael Rothschild
New York: Henry Holt and Co., 423 pages, $24.95

In 1890, British economist Alfred Marshall published his major work, *Principles of Economics.* In it, Marshall constructed an analytic system known as "equilibrium economics," which used complex mathematical formulae to track the changes in a nation's economy. Marshall, noted his student, John Maynard Keynes, had constructed "a whole Copernican system, by which all the elements of the economic universe are kept in their places by mutual counterpoise and interaction."

Ever since Marshall's day, most economists have seen their discipline as a "hard" science, governed by laws as rigid and exacting as Newtonian physics and observed by mathematical tools as precise as electron microscopes. This mechanistic view of economics has filtered down to mass culture. Whenever a journalist writes that the Federal Reserve Board chairman has decided to "fine tune" the economy by altering interest rates or the money supply, the writer is using a mechanical metaphor, considering the economy as easily repairable as an engine or a leaky faucet.



But suppose that economics is not as precise as physics? What if the mathematical tools economists use are not the most accurate way to measure how economies grow, change, and adapt?

That's the thesis of Michael Rothschild, a management consultant based in San Francisco. Economics, he argues, resembles biology, not physics. Capitalism is not, in his view, an economic "system," but something that simply exists, as much a part of life as the wind and the rain. Capitalism is "the inevitable, natural state of human economic affairs. Being for or against a natural phenomenon is a waste of time and mental energy." Replacing capitalism with socialism or another artificial system of massive government economic intervention would be as damaging as replacing the Brazilian rain forest with a zoo.

Rothschild has read a great deal about biology and presents the results of his research in a lucid and entertaining manner. (If Rothschild ever wanted to abandon his consulting career, he could probably make his living as a science writer.) He is best at describing various natural systems that mimic capitalism. For example, Rothschild spends several chapters analyzing the work of Bernd Heinrich, a zoologist at the University of

Vermont who has analyzed the "economics" of beehives. After observing bees, Heinrich concluded that the way they conduct their affairs would please any CEO. Substituting calories for dollars, a beehive's activities roughly resemble the practices of a small corporation; bees gather calories with as much energy as corporations try to maximize profit.

Rothschild also shows that corporations behave in "biological" ways. For example, most biologists believe that evolution occurs in a manner known as "punctuated equilibrium." Rather than gradual, constant change, animals evolve in fits and spurts. Similarly, businesses do not evolve gradually; new types of corporate structures emerge suddenly, and new forms of business do not entirely displace the old. In the grocery store trade, for example, some family-owned stores continued to survive when the supermarket emerged, and many supermarkets still thrive with the advent of the warehouse store, even though food warehouses and super-warehouses are able to charge substantially lower prices for the products they sell.

More important, corporations, like organisms, have a "learning curve." Just as smarter animals learn from experience in order to endure, so do corporations learn from their mistakes to produce better-quality goods at lower prices. On average, the price of products (measured in constant dollars) falls by 20 percent as the experience of producing the product doubles. The "learning curve" is a major reason why prophets of economic doom are largely wrong, and Rothschild's discussion of the curve is the most extensive that I've read.

But why do Rothschild's comparisons between economics and biology matter? In part, because Rothschild's ideas *are* fresh. Both supporters and foes of capitalism have tended to use the same arguments for generations. But Rothschild is a pathfinder. He suffers from the problems of all trailblazers; it's hard to convince the reader that the similarities between economics and biology are as sure and certain as he makes them out to be. Yet his defenses of capitalism are unconventional and imaginative.

For example, one chapter discusses the concept of "spontaneous order." But rather than repeating F.A. Hayek on this subject, Rothschild discusses how computer programmers at Xerox's Silicon Valley facilities designed a program known as SPAWN that created a "marketplace" to ensure that Xerox's computers could be used in the most efficient manner possible. SPAWN software allows Xerox mainframes to "bid" on each assignment, with the highest bids coming from computers with the most time available. Because less than 10 percent of each computer's time is spent bidding, SPAWN is a more efficient way to allocate work than a byte-chomping central controller.

In the last third of the book, Rothschild turns into a policy analyst, using the "bionomic" perspective to analyze current affairs. In most cases, Rothschild favors decentralist, market-oriented approaches to the problems of our time. He likes public-school choice and dislikes bureaucracy. These chapters are the least interesting because they summarize yesterday's news. There is nothing new about them; the intellectual curiosity that propels the book is absent.

Except for the last 75 pages, *Bionomics* is a broad, sweeping work that largely succeeds in explaining the morality and necessity of capitalism in a manner that the sophisticated non-economist can understand. It's the first large-scale analysis of capitalism since George Gilder wrote *Wealth and Poverty* over a decade ago. Readers who like Gilder (or Hayek) will find *Bionomics* very much to their taste, but Rothschild's work should also appeal to those readers who simply enjoy large, sweeping books about how the world works. Most economists prefer to dole out knowledge in tiny portions, like nouvelle cuisine or minimalist fiction. Rothschild's book is the nonfiction equivalent of a hearty five-course feast or a Victorian novel. If he continues in his career of producing sweeping syntheses, he will find the large and grateful audience James Burke or Douglas Hofstadter have found—readers hungry for knowledge and tired of surviving on severely restricted diets.

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Baby Talk

BY KARL ZINSMEISTER

The Swedish Experiment in Family Politics, by Allan Carlson
New Brunswick, New Jersey: Transaction Publishers, 235 pages, $39.95

Allan Carlson, president of the Rockford Institute, has written a slim intellectual history entitled *The Swedish Experiment in Family Politics.* It chronicles certain obscure events that took place 60 years ago in a minor European country, involving two academics, and a social problem now considered passé. And it has my vote as the social policy book of the year.

The volume is a brilliant little case history of how momentary public panics can be manipulated to produce permanent social rearrangements, of how a handful of energetic and creative activists can transform an entire society, of how very easily the tools of "social science" can be used to intimidate politicians and the public. It provides sobering instruction on the tendency of the modern rationalist impulse to produce centralization, elite control, and compulsory behavior. And it illustrates how frail our stock of inherited social knowledge—the lessons and evolved behaviors of many centuries of often bitter human experience—has become. As we face a new wave of family benders and social reformers, Carlson's book provides a valuable opportunity to keep the long-run stakes in view.

In the 1920s and 1930s birth rates fell very low in many Western countries—hitting levels for the very first time that could bring sharp population declines over the long run. This drop caused great consternation in the affected nations, among persons of all political stripes, and within the elites and masses both. Gunnar and Alva Myrdal, who would later become world famous sociologists and activists but were then relatively obscure Swedish professors, turned their joint attention to the population question.

They produced an influential and popular book, gained Gunnar's appointment to the Royal Commission set up by the government to deal with the problem, and masterminded a sophisticated political and public-opinion campaign that brought revolutionary new social and economic policies to Sweden. Their core precept was that any effort to improve the status and number of children "required that the largest proportion of the costs and encumbrances associated with them be transferred to society."

The fact that this episode initiated Sweden's conversion into a thoroughly socialized welfare state was no accident. In fact, Carlson shows, that transformation was the deepest motive of the Myrdals and their Social Democratic Party allies all along. "The population question is here transformed into the most effective argument for a thorough and radical socialist remodeling of society," the Mydrals acknowledged. The government social minister who gave Gunnar his Royal Commission appointment was equally direct in addressing his fellow Riksdag members: "I do not hesitate a moment to frighten however many Conservatives and however many Agrarian Party and Liberal members with the threat that our population will die out, if with that threat I can persuade them to vote for social proposals which I offer."

Carlson points out that this was the first instance in a modern democracy of the use of scientific data to create a "crisis" atmosphere outside of time of war or serious economic failure, a crisis that could then be exploited for political purposes. Alva Myrdal's role in this effort was particularly cynical. While Gunnar at times showed a genuine worry over low birth rates and the durability of the Swedish family, Alva concealed a quiet loathing for the pro-natalist agenda even as she pressed her campaign in its name. She felt a pronounced antagonism toward home and private life, and her true goals in hitching her wagon to the popular population issue were the socialization of child-rearing and housework responsibilities plus the imposition of a broad social androgyny.

Carlson shows in intriguing detail how the Myrdals creatively and energetically worked the political system on behalf of their program. His descriptions of their manipulation of the Royal Population Commission make a particularly fascinating detective story. The Myrdals repeatedly demonstrated the "ability to determine the outcome of the commission's work by setting out assumptions and modes of analysis that could produce no other real result," as Carlson puts it. Techniques they pioneered—capturing the committee staff, controlling initial definitions of the problems at hand, mastering the technical subjects, and gaining monopoly control of calculations and report drafting—remain favorite string-pulling methods within democracies today.

Since they claimed to be acting in the name of democracy and equalitarianism, it's ironic that the Myrdals believed expanded parental autonomy would only perpetuate bad choices and outcomes.

The public policies the Myrdals sold the Swedish people and parliament in the 1930s included large-scale government income redistribution; support for more labor force participation by young parents; publicly funded day-care centers and universal collective child rearing; more communal housing; more state-supplied free meals, health care, and education; subsidies to certain industries; a lot more central economic planning and control; an end to social inducements in favor of marriage before childbearing; new, more "flexible" definitions of what constitutes a family; and new, more flexible "life-values" in general.

The Myrdals completely discounted liberal ideas of private responsibility and individual freedom, which they considered outdated and irrelevant. This attitude deeply colored their reform agenda. They were adamant, for instance, that the state should always provide its benefits to individuals in the form of standardized goods and services, never cash, because they strongly distrusted the ability of most people to know "what was good for them." Merely increasing the financial wherewithal of Swedish parents would do nothing to address what the Myrdals referred to as "quality" shortcomings in contemporary family life. Given that they always claimed to be acting in the name of democracy and equalitarianism, it is ironic that one of the couple's central convictions was that expanded parental autonomy and broader household options would only perpetuate bad choices and undesired outcomes.

Through its vehicle the state, the Myrdals often argued, society should deliver directly to each household the "rational" amount of each domestic resource. "An income equalization in services," wrote Alva, provides "a framework for a socialist development of society towards a more planned—and therefore less costly and more effective and adequate—meeting of needs."

Their distrust of average citizens was combined with a startlingly thoroughgoing faith in material and mechanistic solutions to human problems. Looking around them, the Myrdals saw (as intelligent and sensitive people will) a good deal of human unhappiness, a large measure of inefficiency and sloppiness. And always they insisted that these things could be cured by "a rationalization of human life."

So, the obvious question becomes: What was the Myrdal legacy? Did it all work? The simple answer is no. There was no clear improvement in fertility, and research shows that several of the programs seem to have increased divorce and reduced marriage rates. They didn't succeed either in buying more children or in strengthening families.

And then there was the wider fallout. As the relatively modest programs that the Myrdals succeeded in pushing through at the end of the 1930s were gradually expanded and extended, the effects rippled ever more deeply through Swedish life. While rapid changes had been taking place in the country since the mid-1800s, Sweden began this century as a predominantly rural and relatively traditional and socially conservative society. Carlson points out that conventional middle-class domestic structures, sexual norms, and economic arrangements persisted in Sweden for at least a generation beyond 1939 and the wrap-up of the Myrdal's big push. Indeed, the 1950s marked something of a domestic revival in Sweden, as in most other industrial countries, with marriage rates, home-based child rearing, and familism in general blipping upward.

This trend, however, was short-lived. The ideas and institutions of the 1930s debate—including government income distribution, special aid to never-married mothers, collective housing schemes, progressive taxation weighing especially heavily on families, feminist labor laws, welfare programs for an ever-growing array of social needs, and professionalized child rearing—steadily tinted behavior and attitudes. "State economic and cultural incentives," Carlson writes, gradually "lured ever more Swedes out of traditional networks."

Hewing closely to his self-assigned subject of family policy, Carlson doesn't stray into considerations of economic performance or other broad measures of the health of the modern Swedish welfare state. But even on his limited field of play he finds considerable damage done. The Swedish marriage rate is today the lowest among modern nations. Roughly a third of the 35-year-old women in Sweden today will die unmarried. Cohabitation rates are very high, and the couplings tend to be quite unstable. Carlson points out that when the divorce rate and "the dissolution rate of cohabitation couples" are added together, Sweden seems to have the highest rate of "couple dissolution" on the globe.

Sweden has the smallest households and the highest percentage of one-person households in the world—63 percent of all living units in downtown Stockholm contain only a single resident. Fully half of all current births in Sweden occur outside of marriage. (This compares to 26 percent in the U.S. and 1 percent in Japan.) The average age of first intercourse for Swedish girls is just over 14, versus 17 in the United States. Meanwhile, the overall Swedish fertility rate remains 15 percent to 20 percent below the zero-growth level.

Modern Sweden is, of course, a loudly trumpeted model for many of the American academics and politicians now peddling various "family policies" at the national level. Sweden's day-care centers, parental leave plans, labor laws, and tax and entitlement packages are proclaimed to be vastly superior to the crazy quilt incentives that poor old unsubsidized, unrationalized American parents experience.

By any decent standard of evidence, it shouldn't take many copies of Allan Carlson's terse, fair, and splendidly documented book to enter into circulation before "The Swedish Example" is knocked completely out of our public discourse for good. But don't count on that happening. Our modern-day Myrdals are a determined lot. They really want to help.

Contributing Editor Karl Zinsmeister is an Ithaca, New York, writer. He is working on a book about American children and families to be published by HarperCollins.

Programs for the Future

BY GREG COSTIKYAN

The Age of Intelligent Machines, by Raymond Kurzweil
Cambridge, Mass.: The MIT Press, 565 pages, $39.95

Before the advent of computers, questions like "What is intelligence?" and "What is consciousness?" were exclusively the domain of philosophy. Artificial intelligence (or A.I.) research, pioneered at MIT in the 1950s, was created precisely to investigate and, ultimately, answer these questions. *The Age of Intelligent Machines* is an excellent discussion of the roots of A.I., its current capabilities, and its likely future development.

Raymond Kurzweil is well placed to discuss this fascinating field. Himself an A.I. pioneer., Kurzwell developed the first machine that reads printed text to blind people; the first electronic keyboard to accurately recreate the sounds of orchestral instruments; and the first large-vocabulary voicewriter. He is also unusual among the technically accomplished in being a clear, readable, and often humorous writer.

Kurzwell's book offers a grand overview of the history and future of A.I. research. More than that, it offers a vision of a weird and wacky world where every appliance has a brain, intelligent houses foresee your every need, and your computer argues with you when you try to buy stock in a company it doesn't like. Weird and wacky it may be; Kurzweil makes a good case for its likelihood.

The holy grail of A.I. research is the development of the intelligent computer: a machine as intelligent, in precisely the same fashion, as a human being. Naturally, that goal has not been reached—and is unlikely to be attained for some decades yet. But by studying intelligent behavior and attempting to

reproduce it in computer systems, A.I. research has given us great insights into the nature of human cognition.

One of the strangest realizations has been that many things we think of as difficult are actually very easy; and, conversely, that many things we think are trivial are actually very hard. As early as 1956, the Logical Theorist was able to derive original mathematical proofs, displaying a degree of mathematical sophistication that, in humans, we expect only of the highly educated. Yet a robot that can perform household chores is still considered vastly beyond the capability of modern technology.

A housewife, in some sense, is far more intelligent than a professor of mathematics. The things we think of as conscious reasoning—logical progression from one step to the next—are, in fact, the easiest things to program. Simple pattern recognition—the ability to recognize faces, for instance, or to realize that the cat is not part of the rug and shouldn't be vacuumed—is one of the most difficult.

As Kurzweil shows, artificial intelligence is more than an academic party game in search of an unreachable goal. In the last decade, it has begun to throw off billion-dollar industries as it advances. One of the most interesting is "expert systems"—in essence, massive databases coupled with "rules of thumb" drawn from the knowledge and experience of human experts.

Expert systems are used to diagnose disease, search for minerals, and offer tax-planning advice. American Express uses an expert system to judge the credit worthiness of its charge-card applicants—and the company claims a 75-percent reduction in expensive bad judgments since it adopted the new system. Before the end of the decade, expert systems will probably be at the heart of medical practice, financial planning, and military strategy—to mention only a few fields.

A.I. applications are in their infancy. Within a few decades, we are likely to see books replaced by flat-screen readers and the publishing industry altered beyond recognition; the standard means of interacting with a computer is likely to be English-language conversation; and your telephone will probably be able to translate your English into Urdu for the person on the other end of the line, and his Urdu into English. By comparison, Kurzweil's prediction that, within 15 years, the world chess champion will be a computer is small potatoes.

Kurzweil is concerned with more than technology; his chapter on the philosophical roots of A.I. is particularly interesting. He includes articles by a variety of other writers, including A.I. pioneer Marvin Minsky; Kazuhiro Fuchi, the head of Japan's Fifth Generation computer project; and journalist George Gilder. If Kurzweil has a message, it's that the prospect of machine intelligence, rather than posing a threat to humanity, has the potential to vastly expand our freedom and well-being. The A.I. revolution has begun, and within the decade, Kurzweil believes, it will dramatically affect all our lives.

The Age of Intelligent Machines is not for everyone, not at more than 500 pages of tiny sans-serif type. (The designer could have chosen a less wearing font—though Kurzweil points out that sans-serif is more easily read by machines.) And while Kurzweil eschews jargon, math, and program code, those who think that *bit* is the past tense of *bite* and *floppy* is an adjective that applies to hats would probably be better off finding a primer on computers before tackling the book. Those who are interested in the impact of technological advance on society will find it fascinating.

Greg Costikyan is a writer of fiction and nonfiction who has designed 23 commercially published games.

The Age of Diminishing Economists

BY PAUL CRAIG ROBERTS

The Age of Diminished Expectations, by Paul Krugman
Cambridge, Mass.: The MIT Press, 204 pages, $17.95

According to Rimmer de Vries, chief economist and senior vice president at J.P. Morgan, "Paul Krugman is one of the most sought-after economists in the world." Pat Choate says Krugman "may well be the most influential economist of his generation in the world today." And Fred Bergsten says he "is one of the most brilliant and creative economists in the world today." If these superlatives are anywhere near the mark, it would explain why everything touched by establishment economists turns to disaster.

Paul Krugman, a professor at MIT and a consultant to the IMF, the World Bank, the United Nations, and the Trilateral Commission, is certainly a member of the establishment. Without the protection of this far-flung establishment, no one would dare to write a book as misleading as *The Age of Diminished Expectations*, much less admit in the preface that the Reagan-phobic *Washington Post* put him up to it. In attempting to diminish Reagan, he diminishes his profession.

Krugman is puzzled at Reagan's political success despite statistics that show a "basically dreary economic record," and he concludes that Americans evidently no longer expect much—hence the title of his book. An alternative conclusion is that academic economists spend so much time playing mathematical games that they no longer have command over basic economic principles and are unable to make even simple statistical comparisons without fooling themselves and the public.

Statistical comparisons, or even the ability to read balance-of-payments statistics, are certainly not Krugman's forte. During 1973-81 there was a drop in median income. Reagan turned it around, but Krugman hides this supply-side accomplishment by comparing the 1947-73 postwar boom with the 1973-88 period. Thus, the income growth under Reagan is canceled by the poor performance of the

1970s, allowing Krugman to write of "the stagnation of real family incomes during the 1970s and 1980s." To show the poor becoming poorer under Reagan, Krugman selects the period 1979-87. This averages four years of Reagan expansion with the drop in median income associated with the last two years of the Carter stagflation and the 1981-82 Volcker recession.

Krugman's choices of periods for comparison are especially puzzling, since they implicity deny any discontinuity in policy between Reagan's supply-side economics and the previous demand-management approach. Yet Krugman asserts supply-side failure on the basis of comparisons that weigh down supply-side economics with the failures of demand management.

It requires no statistical skills to make the real income growth of the 1980s disappear in historical comparisons. Until 1983 the Consumer Price Index over-adjusted for inflation by assuming that people bought a new house every month. When used in historical comparisons, the CPI exaggerates the amount of inflation people actually experienced and, thus, understates the growth in their real incomes.

Krugman's ability to handle statistics does not improve as he moves into the international area. He asserts that an inflow of foreign capital took place during the first half of the 1980s in order to finance the U.S. budget deficit. However, the balance-of-payments statistics contradict his assertion. The figures show no significant change in the inflow of foreign capital during the first half of the 1980s. But they do show a sharp drop in the outflow of U.S. capital, which threw the U.S. capital account into a $100-billion surplus, thereby creating the large trade deficit (by definition a mirror image of the capital surplus).

Krugman is unable to discern why American investors, following the 1981 tax cut, suddenly ceased exporting their capital and instead retained it at home. The fact that the after-tax earnings on real investment in the United States rose relative to those in the rest of the world has no economic consequence in Krugman's analysis.

Instead, he uses noneconomic accounting tautologies to claim, incorrectly, that the budget deficit caused the trade deficit and a need for foreign capital. Krugman's reliance on the discredited "twin deficits" theory is surprising. Many economists have long noted that in the 1980s Canada combined a large budget deficit with a trade surplus, and Britain combined a budget surplus with a trade deficit. Apparently, the "twin deficits" theory is a form of nationalistic economics that applies only to the United States.

This is another in a long list of establishment tracts designed to bury the fact that Reagan's supply-side policy produced a record economic expansion without a rise in the inflation rate.

Krugman describes countries that export their capital as "in the black," while those whose successful policies attract their own capital as well as the capital of foreigners are in the red and heading for disaster. He uses unadjusted data that price U.S. foreign assets at their historical book values to claim that Reagan wiped out "60 years of American overseas investment" in just four years. He doesn't notice the inconsistency of claiming that the United States is a debtor nation when statistics show a net creditor's income.

After conjuring the vision of the United States as "a giant Argentina," he introduces the nationalistic bogeyman: "growing foreign ownership of U.S. assets compromises our national sovereignty." This, of course, implies that the United States as a creditor nation compromised the sovereignty of other countries. Such an argument is a blatant attack on foreign investment that reflects, perhaps, Krugman's connections to multilateral institutions that have historically favored government-to-government capital transfers.

Krugman's book is just another in a long list of establishment tracts designed to bury the fact that Reagan's supply-side policy produced a record economic expansion without a rise in the inflation rate. According to establishment economists, this was impossible. The Phillips curve mandated that higher employment had to be paid for with higher inflation, and lower inflation had to be purchased with higher unemployment. Reagan's game plan forecast a drop in inflation and unemployment and was dismissed by economic sophisticates as a "rosy scenario."

The human capital of most macroeconomists, heavily invested in demand management, was wiped out by the policy failures of the 1970s. The dreaded Phillips curve trade-offs, far from being an iron law of economics, resulted from pumping up demand with easy money while strangling supply with high tax rates and regulation. Reaganomics reversed this policy mix and relied on incentives instead of monetary demand to spur the economy.

Under Reagan's policies inflation and nominal GNP growth shriveled much faster than predicted, throwing off government revenue estimates and resulting in budget deficits. Most economists misinterpreted these deficits as deliberate "policy" deficits that would overstimulate demand and reflate the economy. The expectation of renewed inflation caused people to leverage their debts, but disinflation continued. The current debt problems have their origin in this miscalculation. Supply-side economics meant what it said, and it delivered. It is the people who did not believe it who overinvested in inflation hedges and are suffering.

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DRESSING UP THE EMPEROR

BY THOMAS W. HAZLETT

H.L. Mencken once observed that every philosopher spends his career proving that every other philosopher is a jackass, and that—remarkably—they all succeed. A similar metaphysical suicide pact is now proceeding apace in our nation's capital. It is the tug-o'-war over federal funding for the arts: Decency vs. Diversity.

The battle has been joined by born-agains made faint by Robert Mapplethorpe's ultra-gayness; this is the biggest sexual gross-out for the Believers since the formerly Rev. J. Bakker was caught flashing "homosexual looks" at his deacons. But the Righteous have tripped a vicious counteroffensive by the Politically Correct. Mockery of Jesse Helms has become an art form unto itself within the hippest precincts of this nation's culture map, where "diversity"—extolling the *multicultural* superiority of all those lucky enough not to be (current or future) Dead White European Males—is the theme of choice.

Decency, which enjoys popular support among the great unwashed, was legislated into the federal grant-making process last October by those wild and wacky protectors of American virtue, the U.S. Congress. But the Diversity legions have slipped behind enemy lines. It turns out that virtually all the congressional designated enforcers of Decency—people with Ph.D.s and NSF grants and season tickets to incredibly important theatrical events—are actually agents of Diversity.

When put to the task, the National Endowment for the Arts board soon found that "standards of decency are subjective, indefinable and irrelevant to the consideration of artistic excellence, which is the primary concern of this panel." Hence, the NEA determined that "the best way to meet congressionally mandated 'standards of *decency*' is to make sure its grants reflect the widest possible *diversity* of American values and culture."

That semantic twist is itself deserving of artistic subsides, so self-satirical is the absurdity that replacing *decency* with *diversity* erases the legislative ambiguity. But the irony mushrooms: When NEA chair John Frohnmayer bravely states, "I am not going to be a decency czar," the mock-serious "diversity czar" substitution almost leaps out at the audience. *That's* powerful theater.

Decency, diversity...what's in a name? Plenty. The code word dictates an entire mechanism of control. Trust me: You'll have no trouble distinguishing the Decency crowd, dredged from the brackish Southern waters so heavily patrolled by the Upright (to wit: Sen. Helms), from the Diversity crowd, carefully coiffed in the 'do of *haute kultur*. These are two nonintersecting constituencies, each thirsting for clout.

When an agency of the state allocates favors to private parties, it must use some judgment to identify legitimate claimants. That's so dangerous a task that the advance of liberalism can largely be tied to the centuries-long effort to throw off the shackles of government licensing of the press. It wasn't that the *standard* used by government licensers needed adjusting—freedom demanded abolition of governmental *standard setting* itself. The dirty little secret of arts funding (not to mention press licensing under FCC broadcast regulation) is that the act—not the state standard—is itself censorship. Outfitting the arbiter in the slacks of a "decent," "diverse," or even "public-interested" type o' guy simply makes a fashion statement.

But in Washington style counts. Imagine, if you will, the command performance of Boork, the two-headed Samoan tenor/bass (he's a duet) who is a magnificent Witness for the Lord, buck naked. He charms and thrills his audience; he bedazzles with poetry, amuses with biting prose, warms with festive song. But...is he decent? Is he diverse? He's bare, and he's Christian, and he's a Pacific Islander, and he's funny, entertaining, and melodic...OK. Let's just take a vote.

And that's all it is, this decency/diversity *standardism*. (The granddaddy here is "public interest, convenience, or necessity," the most trusty regulatory standard). If you've got a "standard," then you must appoint a learned committee of Wise Men to oversee the High Purpose for which you've been given public power. The "standard" masks moral/aesthetic judgments otherwise arbitrary and capricious, clothing matters of subjective taste in an official bureaucratic uniform.

When one looks across the spectrum of Washington allocation games, one can observe the regularity with which select classes of grantors and grantees become wedded to each other and then jointly attached to the spigots of the public finance system. In arts funding, a safe haven from all retrograde influences has been found under the "diversity" code, but the output is anything but diverse (except in a purely token, skin-color/gender sense, which assists the paperwork tremendously). The true purpose of the standard is clear: Plying a scheme that gives your friends and political allies hundreds of millions of dollars makes you a very big man on whichever campus your uncle chooses to endow.

But the panache with which the sophisticates trash the selectively decent Moral Majoritarians, without so much as a squint at the spotlight glaring on their own selective diversity, merely indicates the lure of lucre, the magnetism with which federal funds separate men from truth. They are perfectly right to abandon any sort of a decency test.

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Scripts by George H. Smith, Wendy McElroy & Jeffrey Hummell.

America's Wars . . .

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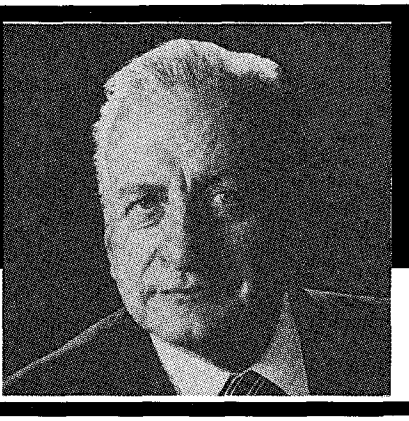

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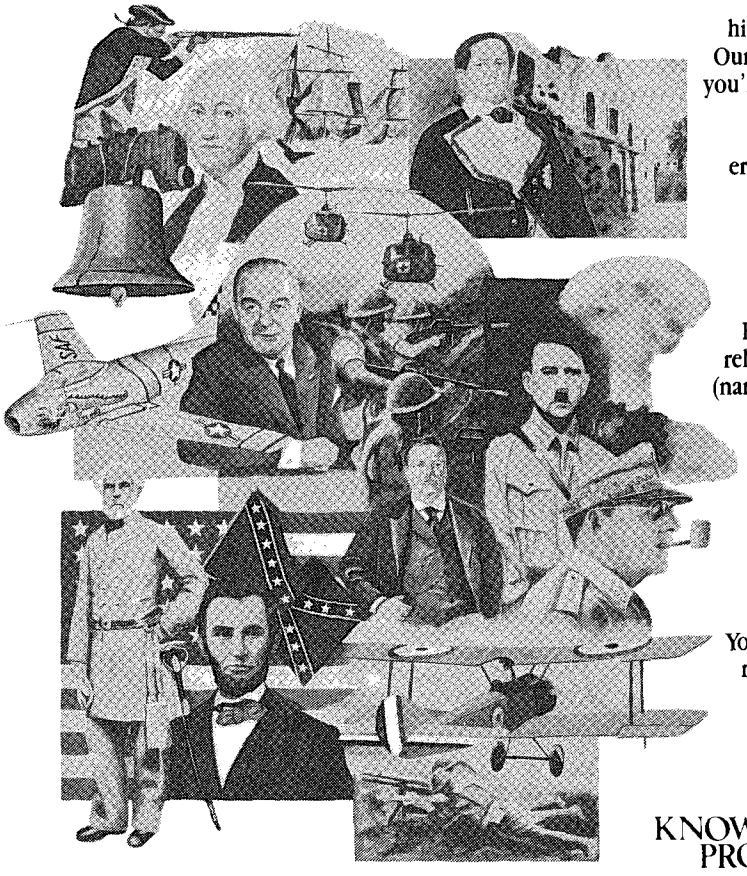

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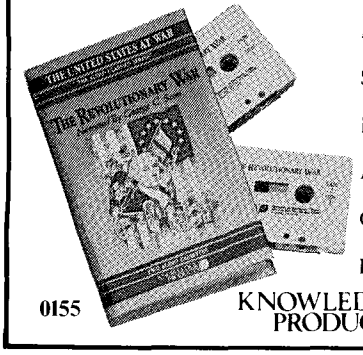

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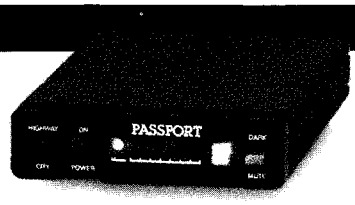

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